

# FINANCIAL TIMES

**Weekend**  
**FT**  
Section 2

**Millionaire  
who dares  
not go home**

Page 1

**Stately homes  
and country  
cottages**

Separate Section

**The rugged  
life in the  
Dordogne**

Page XII

**A visit  
to the  
war zone**

Page XII

World Business Newspaper

## Fall in Japanese GDP puts pressure on interest rates

Japan's economy slipped into reverse in the final quarter of 1994, increasing pressure on the Bank of Japan to reduce short-term interest rates. Seasonally adjusted gross domestic product shrank by 3.4 per cent in the three months to December, down 0.9 per cent. Page 3

**Iraq detains two Americans:** Iraq has detained two Americans who crossed into its territory from Kuwait by mistake and the US embassy is attempting to check on them, UN observers said.

**Canada delays fish dispute talks:** A multilateral meeting on the fishing dispute between Canada and the European Union, due to be held next week, has been postponed after Canada announced it was seeking a delay. Page 2

**American Football to return to Europe:** Europe is preparing for the return of the American Football World League next month after six teams, from the UK, Spain and Germany, wrapped up pre-season training in Atlanta, Georgia. Page 20; Sport, Weekend FT Page 1

**Israel moves West Bank troops:** Israel has taken a first step towards redeploying its troops from some West Bank Arab towns and villages in advance of Palestinian elections. Page 3

**Newspoint shortage hits Times News International:** is facing such a severe shortage of newsprint that supplies of its five British national titles, including The Times, are being cut to wholesale and newsagents. Page 20

**WW recovers to make \$109 profit:** German motor group Volkswagen confirmed its recovery with the announcement of a DM150m (\$109m) profit in 1994 after a large loss the year before. Page 5

**Govett sues US trust for \$100m:** UK fund manager Govett & Co is suing a US investment trust it once managed for over \$100m in damages for allegedly sinking its acquisition of US fund manager Duff & Phelps. Page 5

**Chinese parliament opposes nominees:** Deputies to China's National People's Congress, or parliament, gave a sharp rebuff to the government by lodging a strong protest against its nominees for two vice-premierships. Page 3

**Wassall profits jump 51%:** UK-based conglomerate Wassall, which acquired General Cable of the US for £177m (\$280m) last June, saw profits jump by 51 per cent to £41.6m in 1994. Page 5

**Azerbaijan coup crushed:** Azerbaijan's president Haydar Aliyev claimed to have crushed a coup attempt after government troops stormed a base held by rebel police officers. Page 2

**AT&T in \$1bn telephone supply bids:** AT&T, Motorola and Sweden's Telefon AB L M Ericsson lead bids to supply up to \$1bn-worth of equipment to PCS Primeco, one consortium setting up newly awarded wireless telephone systems in the US.

**Alleged Mafia members arrested:** Italian police arrested 16 members of a suspected Mafia hit squad blamed for recent murders in Sicily. Police also found weapons and a list of intended victims.

**London stocks fall to fulfil early hopes**

Hopes soon faded that the London stock market might consolidate its recovery and reach a new 1995 high. Early share price gains vanished as the pound hit new lows against the D-Mark and Wall Street eased back from the previous session's record close. The FTSE 100 Share Index finished 4.8 points lower on the day at 3,089.5. Over the week, the index gained about 34 per cent. Page 17; Currencies, Page 10

**Epidemic in Niger kills 874:** A meningitis epidemic in the west African state of Niger has killed 874 people and is spreading to other countries, aid workers said. The health ministry said 8,671 cases had been reported since the disease emerged in November.

**Mansell to miss first two Grand Prix:** Former Formula One world champion Nigel Mansell, returning after a two-year break on the Indy-Car circuit, will miss the opening two races of the Grand Prix season because he does not fit into the cockpit of his McLaren car.

**Companies in this issue**

AAH	5	Molins	5
APV	6	New Japan Securities	6
AmBrit	5	Northern Electric	6
Astra	6	Okiason Securities	6
Banco di Sicilia	5	Pentos	5
British Telecom	5	PhoneLink	5
Brund	5	Quilligotti	5
Calm Energy	5	Roxspur	5
Com Securities	6	Ryman	5
Credit Lyonnais	6	Sanyo Securities	6
Dai-Ichi Securities	6	Skarset	6
Era	6	Swire Pacific	6
Fisher (Albert)	6	Telé Danmark	6
Fisons	5	Trafalgar House	5
Fortnum & Mason	6	Volkswagen	6
Globe	5	Walo Securities	6
Govett	5	Wassall	5
Hollis	5	Welsh Gold	5
Kamakura Securities	5	Wilkes	5
Kokusai Securities	6	Woodbine Petroleum	5
		Yamatane Securities	6

**For customer service and other general enquiries call:**

Frankfurt  
(69) 15685150

French bank unveils radical rescue plan including large cuts in staff

## Crédit Lyonnais to shed assets

By Andrew Jack and David Buchan in Paris

**Crédit Lyonnais**, France's biggest bank, yesterday announced a radical rescue plan which includes assets worth up to FF150bn (\$27bn) and heavy staff reductions.

In exchange for these cost-cutting measures, the government has agreed to support the bank against potential losses of up to FF50bn generated primarily by the crisis in the French property sector.

The bank will sell its remaining retail banking business outside Europe and, over the next three years, its industrial assets and large shareholdings, Mr Jean Peyrelade, chairman of Crédit

Lyonnais, said last night. It will also prune its European bank network and accelerate reductions in its 66,000 workforce.

Mr Peyrelade also announced a FF12bn loss for 1994 compared with FF6.9bn for 1993. The bank chairman, who had forecast that he could keep losses to within the 1993 limit, admitted that he had seriously underestimated the provisions that still had to be made.

Under yesterday's plan, the bank is placing its property loans, industrial stakes and its most troublesome subsidiaries into a newly created company which will dispose of the assets as fast as possible.

Unveiling the state rescue, Mr Edmond Alphandéry, the econ-

omy minister, assured French taxpayers and the European Commission that there would be no further cash injection into the bank. He also stressed that the government's aim was to sell at least 80 per cent of the assets within five years, and all industrial stakes within three years.

Mr Alphandéry said the state remained committed to privatising the bank, perhaps in five years' time. "We are giving it [Crédit Lyonnais] five years to rid itself of the burden of its past losses and to be able, with privatisation, to fly with its own wings," he said.

The FF150bn in assets will be financed by the state-controlled company already set up for the first attempt to rescue Crédit

Lyonnais last year. Any losses on these assets - which Mr Alphandéry said could total FF130bn-FF150bn - are to be made good by Crédit Lyonnais.

To do this, the bank will pay over the next 20 years a high dividend and a special contribution from its pre-tax profits to the state. The immediate reaction of one Paris analyst was that "this will keep Crédit Lyonnais in manacles for years to come". The political reality, though, in France and in the European Commission, which has to vet yesterday's plan, is that the bank has to be seen to help itself recover.

"This is totally fair and legitimate," Mr Peyrelade said.

On taking over the beleaguered bank in autumn 1993, Mr Peyre-

vade was quick to abandon his predecessors' ill-fated ambition to turn Crédit Lyonnais into an German-style industrial bank, but fought for some time to keep the banking network intact.

Yesterday, he conceded that even banking assets would have to be reduced by as much as FF100bn. In the past year, Crédit Lyonnais' workforce has been slimmed down with 1,500 voluntary departures. Mr Peyrelade said these reductions would have to be stepped up in the coming year. The bank is believed to want to shed as many as 5,000 jobs over the next five years to boost productivity.

Crédit Lyonnais crisis, Page 6

Lex, Page 20

## Russian general questions future of Nato

By Bruce Clark in Moscow

General Mikhail Kolesnikov, the head of the Russian general staff, yesterday described Nato as a meaningless organisation whose planned expansion could render void the accord on conventional military forces which has underpinned European security since the end of the cold war.

At a meeting with a small group of journalists in Moscow, Gen Kolesnikov called for Britain, France and China to be involved in future negotiations between the US and Russia on cutting long-range nuclear arms.

In unusually stern tones for Moscow, he said Nato had no reason to exist after the collapse of the Warsaw Pact. As head of the general staff, he is responsible for planning the deployment and reform of the Russian armed forces, assessing future needs and disarmament policy.

Gen Kolesnikov is not viewed by military observers as a hard-liner. However, he broadened Russia's earlier complaints about the Conventional Forces in Europe (CFE) pact, an agreement calling for the elimination of tens of thousands of tanks and artillery pieces. It is due to be fully implemented this year.

Moscow has been calling for an increase in the amount of armour it is allowed to maintain in north-western and south-western Russia, two of the "flanks" or zones which the treaty defines. Yesterday, Gen Kolesnikov went further and questioned the whole concept of ceilings in particular areas of Russia.

He suggested that it was for Moscow to decide which units and equipment it would deploy in each region. "Russia is not happy with those incomprehensible quotas or restrictions. We say this is our Russian house, and we should decide for ourselves on where to put the bed, desks and bookshelves."

Linking the CFE with the subject of Nato expansion, the general noted that the treaty was originally negotiated between

Continued on Page 20  
Russia attacks EU and US trade policies, Page 2

## Adams expects talks with UK ministers soon

By John Kampfner in London and Jurek Martin in Washington

Mr Gerry Adams, president of Sinn Féin, the political wing of the IRA, suggested yesterday that full-scale talks with UK ministers on a political settlement for Northern Ireland could begin imminent.

Speaking before an evening St Patrick's Day reception at the White House and his second meeting with US President Bill Clinton in two days, Mr Adams sought to strike a conciliatory note before his sympathetic American audience.

Mr Clinton, in a meeting with Mr John Bruton, the Irish prime minister, urged Sinn Féin to "take the next step" and "begin to seriously discuss getting rid of these weapons so they can never be used again". The prospects for peace were brighter than they had been "for a generation", Mr Clinton said.

In an address to the National Press Club, Mr Bruton outlined four steps to progress. In addition to talks and decommissioning of arms by terrorist groups, he called for institutional reform.

above all that of the Royal Ulster Constabulary, and the release of prisoners whose continued detention was no longer "sensible".

Mr Adams said full-scale talks with UK ministers would take place "soon rather than later". Sinn Féin representatives and British officials had already moved "to discussions" of the agenda for meetings with ministers, he added.

"Everyone should be at the table, and every issue should be on the table," Mr Adams said.

The conditions laid out by Sir Patrick Mayhew, Northern Ireland secretary, are: recognition of the principle of decommissioning of IRA weapons; agreement on the practicalities of decommissioning; and an initial step towards taking some weapons out of circulation.

British officials reacted coolly to Mr Adams's statement. "Discussion of the agenda does not predicate ministerial participation," said one. "We are still waiting for the right assurances to be given to ministers. I see no development of the position." Another UK official said Mr Adams and Mr Clinton needed to

"dress up concessions" to justify the high-profile welcome.

The depth of antagonism between Sinn Féin and the UK government was highlighted by Mr Adams's reaction to the discovery on Thursday night of a bomb outside a shop in Newry, County Down. The IRA has denied involvement. Mr Adams went further. "Obviously, there's an element of British dirty tricks here."

● Mr James Molyneaux, the Ulster Unionist leader who has been criticised for his close links

with the Tories, faces a symbolic challenge today at the annual meeting of the party ruling council in Belfast.

Some Ulster MPs believe the contest may increase the chances of Mr Molyneaux, 74, being persuaded to retire this year.

## Sterling and lira plunge to new lows against D-Mark

By Philip Gash in London

Sterling and the Italian lira both plunged to historic lows against the D-Mark yesterday as nervous investors sought refuge from political and economic uncertainty in safe-haven currencies such as the D-Mark, Swiss franc and yen.

The Irish punt also fell to a new low in the latest bout of market turbulence which has seen the dollar and most Euro-zone currencies reach new lows against the D-Mark over the past 10 days.

Unlike in recent weeks, the dollar was largely sidelined as traders and investors shifted their attention towards European currencies.

The lira was the initial focus of

attention, plunging over 160 at one stage to a new low of 1,127.25 against the D-Mark before support from the Bank of Italy helped it to finish firmer in London at 1,125.00. Investors are worried that political instability is

preventing the Italian government from tackling the country's economic problems.

Italy's economic problems are

Continued on Page 20  
Currencies, Page 10

### STOCK & MARKET INDICES

FT-SE 100:	3,089.3	(-4.8)	US RATES	STERLING	DOLLAR
Yield .....	4.41		Federal Funds .....	5.1%	\$ 1,385
FT-SE Eurotrack 100 .....	1,233.19	(-7.35)	3-m Treasury Bills Yld .....	5.8%	DM 1.385
FT-SE-A All-Shares .....	1,913.96	(+0.1%)	Long Bond .....	103	FR 4.949
Nikkei .....	16,251.23	(+104.45)	Yield .....	7.659%	Y 89.075
New York .....			DM .....	1.5841 (1.5816)	London
Dow Jones Ind Ave .....	4,068.73	(-2.42)	Brent 15-day (May) .....	(\$16.92) 2	DM 1.3855 (1.3862)
S & P Composite .....	496.29	(+0.12)	Y .....	7.6884 (7.6884)	FR 4.9555 (4.9555)

## NEWS: EUROPE

# Dini's victory brings no respite for lira

By Robert Graham in Rome

The survival of the Italian government in Thursday's vote of confidence failed to save the lira from its biggest single slide yesterday since the European currency crisis of September 1992. Falling sharply against all main currencies, it declined 5.6 per cent against the D-Mark and the yen.

Dealers said the Bank of Italy had intervened both to support the currency and prop up bond prices. But

the fluctuations in the lira were so rapid and unpredictable that reportedly few transactions occurred.

Share prices on the Milan stock market fell by 3 per cent after a 2 per cent decline the day before. Market analysts blamed a combination of continuing uncertainties about Italy's public finances, the unclear timescale of the government's mandate and the weakness of the dollar, which encouraged further flight into the D-Mark. Confusion was fuelled by rumours of action by the Bank of

Italy to raise the discount rate. The lira was officially fixed yesterday at L1,274 to the D-Mark compared with Thursday's L1,206. This was nearly L30 below the previous floor. The lira also fell from L1,664 to L1,764 against the dollar and from L2,834 to L3,800 against sterling.

Mr Silvio Berlusconi, the former prime minister, who failed to defeat the government in the confidence vote on its £20,000m mini-budget, was quick to try to turn the situation to his advantage. "For days

we've been bombarded with a lie: the mini-budget with its plethora of price rises and taxes is indispensable. If it is not passed the lira will fall... and now look what's happening. The lira is worse than ever."

During the confidence debate Mr Lamberto Dini, the prime minister, made several thinly veiled criticisms of Mr Berlusconi. He attacked as irresponsible those refusing to back the package of tax increases and spending cuts which were essential to hold the 1995 budget deficit to 8

per cent of gross domestic product.

Mr Berlusconi's comments yesterday underlined the fact that he would give the government no quarter and would relentlessly pursue his aim of forcing a general election by June. He also appeared encouraged by the prospect of gaining the support of at least 10 deputies from the centrist Popular Party (PPD).

The situation at the PPI yesterday degenerated into near farce, with two different groups claiming to represent the party occupying different

floors of its headquarters.

On the other side of the political spectrum, Mr Massimo D'Alema, leader of the former communist Party of the Democratic Left, made clear he would not be rushed into an early election despite the government's difficulties. Fresh from having helped orchestrate the government's successful mini-budget vote, he insisted an election could not be held without proper rules in place on conflict of interest issues concerning Mr Berlusconi's three TV stations.

## Coup bid crushed by Azeri president

By John Thornhill in Moscow

Azerbaijan's President Heydar Aliyev claimed yesterday to have crushed a coup attempt after government troops stormed a base held by hundreds of rebel police officers.

Eyewitnesses reported intense fighting around the base, five miles north of the capital, Baku, and the president conceded there had been "numerous" casualties on both sides.

The Azeri authorities said Mr Rovshan Javadov, the deputy interior minister, who they accused of leading an attempt to oust Mr Aliyev, had been among those killed.

According to defence ministry officials the government troops attacked after about 700 heavily armed rebel policemen tried to break out of the base on Thursday night and capture the presidential palace.

The apparent coup attempt erupted on Monday night when forces opposed to Mr Aliyev seized several administrative buildings in the north of the country, prompting the president to warn that Azerbaijan stood on the brink of civil war.

Comments from Azeri ministers yesterday suggested that the government might use the attempted coup as a pretext for a broader crackdown as officials accused opposition political parties of supporting the rebellion.

"We shall not allow these crimes to continue. We shall arrest those who are against the republic," Mr Ramil Usibov, interior minister, told an open cabinet meeting.

The southern Caucasian region has been racked by instability for several years as Azerbaijan has become embroiled in a bloody war with Armenia over the disputed region of Nagorno-Karabakh.

Last October, Mr Aliyev put down a minor insurrection led by former President Ayaz Mutalibov, and Mr Suren Huseinov, an ex-premier.

Mr Aliyev, a former KGB general and one-time head of the Azerbaijan Communist party, came to power in June 1993 on the back of an uprising which ousted the then president.

The latest eruption of unrest in Azerbaijan comes at a sensitive time for the economy, following the signing of an \$800m deal last year. A consortium of companies, including British Petroleum, Amoco, Pennzoil and Lukoil, is set to develop the vast oil resources that lie under the Caspian Sea.

BP denied reports that it was evacuating its staff from Baku and said its main business in Azerbaijan was unaffected. But some in the oil industry say the scale of the violence is likely to unsettle sentiment abroad and might cause some foreign investors to reconsider the scale of their involvement.

## Russia attacks EU and US trade policies

By Chrystia Freeland  
in Moscow

A senior Russian official yesterday attacked the European Union and the US for illiberal trade practices. Mr Oleg Davydov, minister for foreign economic relations, said the EU's decision to postpone a trade agreement with Russia and the US's criticism of Russia's sale of nuclear reactors to Iran, were examples of harmful western protectionism.

"We have learned Adam Smith better than you," Mr Davydov said. "We are employing protectionist measures against a weakened Russia."

The EU has put off a trade agreement with Russia because of its human rights concerns in over the fighting in the breakaway Chechen republic. Mr Davydov accused the EU of dressing up its protectionist economic agenda with political excuses.

"They say they froze the agreement because of Chechnya, but it is really in order to protect Europe's economic interests," said Mr Davydov.

Mr Davydov was equally critical of US efforts to block Russia's sale of nuclear reactors to Iran. He said the reactors would not increase the danger that Iran will seek to develop nuclear weapons.

Mr Davydov also warned that, given Russia's current political climate, Moscow is unlikely to tailor its trade policy to suit the demands of its western interlocutors.

"No Russian politician today will give up a single market," Mr Davydov said. "We have already lost markets in Iraq, Libya, the former Yugoslavia, everywhere, and we have gained them nowhere. We are a big country, we do not need to bow to external pressure."

This week the Russian government agreed a scheme to repay one portion of this debt, the \$7bn Russia owes commercial partners which continued to supply Russia with goods according to contracts reached with the Soviet Union but which have not been paid, he said.

Russia plans to issue government bonds to these suppliers which will be repaid according to the terms Russia reaches with the Paris Club, the group of western creditor nations.

Mr Davydov said these agreements, together with the deal Russia reached earlier this month with the London Club, the group of commercial lenders, cleared the way to an overall resolution this year of the debt issue.

He said Russia has already

## Canada wins delay in fishing row talks

By Caroline Southee  
in Brussels and  
David White in Madrid

A multilateral meeting on the fishing dispute between Canada and the European Union, due to be held next week, has been postponed after Canada announced it was seeking a delay. Mr Jacques Roy, Canada's ambassador to the EU, said yesterday.

The EU had sought a meeting of the North-West Atlantic Fisheries Organisation (Nafo), which monitors fishing in the grounds known as the Nose and Tail of the Grand Banks just outside Canada's 200-mile limit.

The EU commission said it was "dismayed" by the Canadian decision as it believed the dispute, in which Canada seized a Spanish trawler outside its territorial waters, had to be settled multilaterally.

The EU would be seeking another date for a meeting, an official said.

A Canadian official said a multilateral meeting next week would be "too soon" but added that both sides were still "on an even keel" and wanted to settle the issue through negotiations.

Mr Roy said senior officials involved in bilateral talks with the EU in Brussels had returned to Ottawa for political consultations. "Significant progress" had been made on conservation issues in the face of fraud investigations.

The move was part of a counter-attack launched by Mr Suard since he was barred last week from running his group by a magistrate probing alleged over-billing of France Télécom and the possible abuse of company funds. Yesterday saw another step in his defence campaign with a lengthy interview in the daily *Le Figaro*. "Unusual situations require unusual solutions," said a colleague referring to Mr Suard's media moves.

The result is an extraordinary battle between one of France's most powerful industrialists and Mr Jean-Marie D'Huy, the magistrate heading the probe. At stake is not just Mr Suard's position at the head of the country's third largest company but a test case of the French judiciary's powers with regard to the business establishment.

The Spanish cabinet yesterday authorised the Foreign Ministry to suspend existing bilateral agreements with Canada if necessary. The government said it would press Canada through the EU for compensation for the "illegal" seizure last week of the trawler *Estai* and the loss of part of its catch.

Mr Suard's counterattack



Pierre Suard has launched a media campaign to deny any wrongdoing. "What is happening to me can affect any boss," he said.

## Alcatel chief gets media-friendly in his battle to return to his desk

John Riddings on an unusual counter-attack against fraud inquiries

**M**illions of French television viewers tuned in on Wednesday to watch football champions Paris Saint-Germain knock Barcelona out of the European Cup. An hour earlier they had been offered another gripping, if more unusual spectacle. Mr Pierre Suard, head of Alcatel Alsthom, the French industrial champion, went on national TV to proclaim his innocence in the face of fraud investigations.

Mr Maurice Guiui, one of the lawyers, argues that Mr D'Huy has exceeded his mandate in extending a case originally opened in 1983 to probe alleged malpractice by two Alcatel employees, and which has spread to Mr Suard's personal assets and property.

It is the media manoeuvres, however, which have been the most dramatic. Wednesday's televised interview was unprecedented. "A big first in the life of French business leaders," declared the business daily *Tribune Desfossés*. The move was all the more extraordinary because of Mr Suard's guarded and taciturn character and because he blames the media and the leaking of judicial secrets for much of the legal ordeal he is undergoing.

In an attempt to spur national conscience he raised the prospect of moving the company's headquarters. "We are studying the possibility," I regret today having transferred it from Brussels to Paris in 1988. For his peers, the message was stark: "What is happening to me today can affect any boss."

Mr Suard's defence has struck a chord with many inside the company. An employee shareholders group has sent an open letter to Mr Pierre Méhaignerie, the justice minister, asking him to monitor the case personally and to ensure the presumption of innocence is respected.

But his campaign has prompted an angry response from some in the legal profession. Le Syndicat de la Magistrature, a magistrates' union, said it had "watched with stupefaction the surreal broadcast with Mr Suard" and denounced what it described as a "means of defence which tries to give immunity to business leaders".

These business leaders, some of whom have also been caught up in a wave of corruption probes over the past two years, have largely kept quiet about Mr Suard's ordeal, although some share his concerns about magistrates' powers. The Alcatel board, which includes such captains of French industry as Mr Guy Dejouany, chairman of Générale des Eaux, and Mr Marc Viénot, head of Société Générale, gave Mr Suard a vote of confidence earlier this week.

How long this support lasts is likely to depend on developments in the legal probes ensnaring the group and Mr Suard's appeals. A decision on whether to relax his bail terms and allow him to return to his desk is expected within the next few weeks.

Should he remain barred pressures will grow for a replacement at the leaderless company. Having spent the past nine years building the group into one of the country's most powerful businesses,

however, Mr Suard is not about to go down without a fight.

### BUSINESSES FOR SALE

#### GREEK EXPORTS S.A.

(Founded &amp; owned by ETBA S.A.)

INVITATION FOR EXPRESSIONS OF INTEREST IN PURCHASING THE ASSETS OF GENIKI PROMIMETHETIKI (KATASKEVAI) ELECTRICAL AND TELECOMMUNICATIONS MATERIALS & PLASTICS INDUSTRY S.A. NOW UNDER SPECIAL LIQUIDATION

GREEK EXPORTS S.A. established in Athens at 17 Panepistimiou Street, in its capacity as special liquidator of GENIKI PROMIMETHETIKI (KATASKEVAI) S.A. (in accordance with Decision No. 100/1994 of the Ministry of Finance of April 1994) which GENIKI PROMIMETHETIKI (KATASKEVAI) S.A. has been placed under special liquidation and within the framework of article 36a of Law 197/2/94, as supplemented by article 14 of Law 200/94 and complemented and amended by article 53 of Law 222/94.

#### INVITES

interested entities to express their interest in purchasing the assets of GENIKI PROMIMETHETIKI (KATASKEVAI) S.A. now under special liquidation, either as a whole or each of its self-contained functional entities, as well as its non-functional elements as follows:

#### ENTITY A

A plot of land 18,289 sq. metres in area at Olympos, Brestia, with the factory complex standing on it and the machinery of the workshop, plates, plastic sections, electronic materials section A, telephone materials and pay phone materials section "T", electrical materials section "E", the RAD section, sundry machinery, welding machine, hoist, zinc coating and spraying section machinery, claims, and furniture and utensils.

#### ENTITY B

Elements 1, 2, 3 and 4 that make up Entity B can be sold as a whole or each by itself. 1. Other mechanical equipment tools, moulds, apparatus, organs and other electrical equipment, etc.

2. Two plots of land, each containing a BMW 310 saloon car with license plate MIA 3353, as a whole or one by one.

3. Goods in stock as a whole.

4. An apartment of 115 sq. metres at 25 Stourmaris Street, Athens.

By submitting a written, non-binding expression of interest within twenty (20) days from today:

Brief Information on the Company Under Liquidation

GENIKI PROMIMETHETIKI (KATASKEVAI) S.A. was founded in 1974 (Gowl Gazette No. 1770/31.8/74) and was engaged in the manufacture of electrical materials of all kinds for low, medium and high voltage as well as all kinds of electronic components and electrical components.

The company's manufacturing installations are situated at Olympos in Boeotia on the provincial road to Dileki. The factory was built on a self-owned plot of land 18,289 sq. metres in area. A three-storey building was built on this plot consisting of a ground floor, a first floor, a second floor and a terrace roof. The total useful space is 5,493 sq. metres and the volume is 24,341 cu. metres. Besides the main building there are also auxiliary buildings, totalling 491 sq. metres and a volume of 2,002 cu. metres. The company also owns office space totalling 115 sq. metres at 25 Stourmaris Street which houses its head office.

Other data concerning the public auction:

For any further details or information please apply to:

GREEK EXPORTS S.A., 17 Panepistimiou Street, 117 31 Athens, Greece. Tel: +30-1-521111 Fax: +30-1-522 0185.

The Head Office of ETBA S.A., Directorate of Public Holdings, 57 Syngrou Avenue, 4th Floor, Athens, Greece. Tel: +30-1-529 4611 & 529 4613.



parties are lagging well behind the opposition Social Democrats in the opinion polls. The reason they are not doing better is simple: the recovery has so far barely been felt in the domestic economy.

National unemployment remains at 18 per cent and is unlikely to fall below 15 per cent before 1997. Companies have roared back to profit, driving the economy back into growth. The relatively healthy state of public finances and inflation at under 2 per cent have helped strengthen the currency. Finland, a new member of the European Union, was almost unaffected by last week's international currency turbulence, in sharp contrast to neighbouring Sweden where the public finances remain much deeper in deficit and recovery is much slower.

Almost every sector of the economy improved and unemployment shot up from just 3.5 per cent in 1990 to nearly 20 per cent. The markka was first devalued and then floated to ease the pressure, but throughout, Mr Aho and Mr Ilpo Viljanen, his Conservative finance minister, kept a tight rein on public spending. Now the payoff has begun.

Buoyed by the recovery in the international economy and the cheaper markka, export companies such as Nokia and the big pulp and paper concerns have roared back to profit, driving the economy back into growth. The relatively healthy state of public finances and inflation at under 2 per cent have helped strengthen the currency. Finland, a new member of the European Union, was almost unaffected by last week's international currency turbulence, in sharp contrast to neighbouring Sweden where the public finances remain much deeper in deficit and recovery is much slower.

But despite the turnaround, the Centre and Conservative

cut its workforce to 190 from 250 since 1991, despite a big increase in output.

"It is very difficult to see what can be done," says Mr Hannu

## NEWS: INTERNATIONAL

## INTERNATIONAL NEWS DIGEST

## Congress rebuff for Beijing

Deputies to China's National People's Congress, or parliament, yesterday administered a sharp rebuff to the government by lodging a strong protest vote against its nominees for two vice premierships.

In an unprecedented development in post-revolution China, nearly one third of parliament's 2,752 delegates either voted against or abstained on the nomination of Mr Jiang Chunyun as a new vice premier in charge of agriculture.

About 15 per cent of deputies withheld endorsement of Mr Wu Bangguo, the former Communist party chief of Shanghai, who has been made vice premier responsible for state enterprise reform.

Mr Jiang, who previously served as head of the party in Shandong province, east of Beijing, received 1,746 votes, less than 64 per cent of the total. Altogether 605 deputies voted against him, 391 abstained and 10 did not vote. Mr Wu, 53, fared somewhat better, polling 2,356 in favour, 210 against, and 161 abstentions. He is a protégé of President Jiang Zemin.

Western officials in Beijing saw the protest vote against Mr Jiang as an indication of a more assertive Congress. It was also a sign, they said, of widespread displeasure with the government's agricultural policies.

Farmers' incomes have been squeezed by rising costs, and the income gap between rural and urban areas is continuing to widen. *Tony Walker, Beijing*

### Chinese inflation slows

China's inflation continued to ease in February with growth in consumer prices slowing to 22.4 per cent, down 1.7 points from the previous month, according to the State Statistical Bureau.

China's CPI, including services, for 1994 over the previous year was 24.2 per cent. Retail prices were up by 21.7 per cent. The February retail index rose 19.7 per cent compared with the same period last year. This was the first time growth in retail prices had fallen below 20 per cent since June 1994.

China has nominated a 15 per cent rate of retail inflation as the target for this year. *Tony Walker, Beijing*

### Ukraine crackdown on Crimea

Ukraine's parliament yesterday asserted greater control over the separatist Crimean peninsula, abolishing the autonomous republic's constitution and unseating its fiery president, Mr Yuri Meshkov. The parliament replaced the 1992 document with laws giving Kiev wider powers but stopped short of revoking the region's autonomy. It acted after Crimea's parliament failed to put local laws in line with Ukraine's. Mr Meshkov faces criminal charges for "exceeding authority", the resolution said.

Western diplomats yesterday dismissed warnings from Mr Sergei Tsekov, Crimean parliamentary chairman, that the "situation had been aggravated" on the volatile peninsula. Transferred to Ukraine in 1954, Crimea has been a test case for Ukraine's ability to establish a modus vivendi in relations with Russia and the large Russian minority in the former Soviet republic. According to the laws passed yesterday, Ukraine can dissolve the local parliament, has direct oversight over internal security forces and reassessed control over the privatisation programme. *Matthew Kaminski, Kiev*

### Money stays in Argentina

Flight capital from Argentina, which at one point had threatened to provoke crisis within the financial system, appears to be slowing in anticipation of a \$7bn rescue package spearheaded by the International Monetary Fund.

According to the latest central bank figures, which are released with a three-day lag, deposits in pesos and dollars fell only 0.2 per cent to \$8.1m on March 13, against daily falls of up to 1.8 per cent in the previous week. Reserves of foreign currency and gold stood at \$11.4bn on March 13, 24 per cent down on pre-Mexican crisis levels, but only \$22m below the previous day. Bankers hope the trend will improve further after this week's confirmation of the IMF package.

The IMF loan, which still needs board approval, took a step closer to realisation with the passage by Argentina's Senate on Thursday night of a three-point increase in value-added tax. The tax rise, expected to raise an additional \$2.25bn, was a prerequisite of IMF assistance.

Mr Domingo Cavallo, economy minister, yesterday flew to São Paulo, Brazil, to negotiate an increase of 3 points in Mercosur's external tariff, another important revenue-raising measure. Mr Cavallo said fellow members of Mercosur - the customs union with Brazil, Paraguay and Uruguay - had already agreed to the increase in principle. He said he thought GDP growth this year would be 4 or 5 per cent, slightly above the figure included in the IMF package this week. *David Pilling, Buenos Aires*

### Turkey wins new bank loan

An international private bank consortium has agreed to lend Turkey \$500m (2265m), marking the country's return to international loan markets after a year's absence. Turkey, trapped in one of its worst economic crises for 70 years and suffering severe civil disturbances, needs the money to help repay overseas lenders about \$12.5bn of loans that mature this year.

The new three-year package consists of \$150m in floating rate notes and \$350m in conventional bank loans. Bankers in Istanbul say the loan should cost Turkey about 3-3.5 percentage points over Libor. This is more than three times the rate banks charged Turkey until a currency and balance-of-payments crisis last year led Wall Street rating agencies to mark its debt below investment grade.

Bankers expect Turkey to seek more private loans during the year. Turkey is also hoping for financial support from the European Union, with which it recently concluded a customs union agreement, and the governments of Japan, Germany and the US. However, Turkey is struggling to meet terms of a \$740m stand-by agreement with the International Monetary Fund and a structural reform programme backed by the World Bank is making slow progress. *John Barham, Istanbul*

### Peña investigation dropped

The US Justice Department said yesterday it had dropped an investigation into Mr Federico Peña, the transport secretary, and would not seek the appointment of a special prosecutor to look further into allegations involving a contract awarded to his former investment firm after he had severed his ties to it. Ms Janet Reno, the attorney general, said she had dropped the case after finding no credible evidence of a crime. Ms Reno earlier this week announced that she would ask for a special prosecutor to investigate another cabinet secretary, Mr Henry Cisneros of the Department of Housing and Urban Development. Special prosecutors are already investigating President Bill Clinton's investment in the Whitewater property venture in Arkansas, as well as links between Mr Mike Espy, Mr Clinton's former agriculture secretary, and a large poultry group. *George Graham, Washington*

### German coal agreement

The German government and the opposition Social Democratic party have agreed on financing for the coal industry until 2000, removing an early obstacle to adopting a long-term strategy for the country's energy sector.

IG Bergbau, the coal mining union, has yet to accept the terms of the financing, but the decision, forged late on Thursday night, paves the way for another round of talks on forging an energy policy consensus. They will resume on April 24.

Germany's main political parties are seeking agreement on an integrated "energy mix" involving gas, oil, electricity, coal, regenerative energy and nuclear power. Until the end of this year, the uncompetitive industry will still be financed through the Kohlepfennig, an 8.5 per cent levy imposed in 1976.

However, the Constitutional Court last December deemed the Kohlepfennig unconstitutional. Instead, the government and the SPD have agreed to allocate DM7.5bn (£3.5bn) to the coal industry next year, financed from the budget, and a further DM7bn in 1997. *Judy Dempsey, Berlin*

## By William Dawkins in Tokyo

Japan's economy slipped into reverse in the final quarter of 1994, increasing pressure on the Bank of Japan to reduce short-term interest rates.

Gross domestic product shrank, seasonally adjusted, by an annualised 3.4 per cent in the three months to December, down 0.9 per cent on the previous quarter, sharper than the markets had expected, the Economic Planning Agency said yesterday.

The economy has switched direction in each of the past five quarters, in line with the ups and downs of private consumption. But averaged out over a year, yesterday's figures

show that the recovery was weaker than expected, rather than succumbing to recession at the end of 1994.

For the full year to December, GDP rose by 0.6 per cent, slightly less than the private sector economists' consensus forecast of 0.8 per cent, showing a modest turnaround from a 0.2 per cent decline in 1993. Fourth-quarter GDP, unadjusted, was 1 per cent above the same period of the previous year.

However, the figures were poor enough to prompt Mr Yasuo Matsushita, the BOJ's governor, to shift to a gloomier economic assessment. "No sign of accelerating upward momentum is seen anywhere in

Japan's economic scene," he told a business conference. Structural problems, such as banks' bad debts, were obstructing growth, he warned.

The central bank planned to maintain its present "soft grip" on monetary policy, but only assuming a moderate economic recovery.

Economists took this to mean that the central bank was preparing to push down overnight money market rates, at which commercial banks lend to each other. They believe the central bank will still resist a cut in the official discount rate, at which it lends to the markets, despite calls from industry for action to restrain the renewed rise of

yen. The overnight rate was yesterday at 2.8 per cent, well above an ODR at a record low of 1.75 per cent.

The EPA yesterday admitted that, as a result of the fourth-quarter reversal, it would be hard to hit the official target of 1.7 per cent GDP growth in the fiscal year ending this month.

Among the main components of GDP, private consumption in the final quarter fell by 0.6 per cent from the previous three months, in which spending was supported by purchases of air conditioning equipment and a rise in electricity use during an unusually hot summer.

The next largest sector of the economy, corporate capital

spending, provided the only small bright spot. Investment rose by 0.4 per cent on the quarter, for the second quarter rise in a row, holding out hope that what had been an important missing element might now assist the recovery. Yet taken over the full year, capital spending fell by 8.9 per cent, slightly worse than the previous year's 8.4 per cent

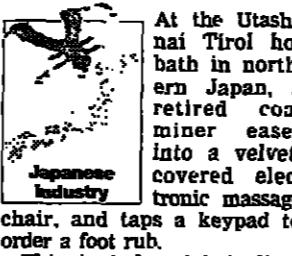
Exports, representing nearly 16 per cent of the economy, also put in a strong performance, up 2.3 per cent on the previous quarter. But imports grew faster, by 4.1 per cent. Some economists pointed out that strong import growth for the quarter was at odds with



the decline in consumption, suggesting that GDP might later be revised upwards.

## Pressure on Japanese rates as GDP falls

A coal mine becomes a mountain resort - but even in Japan the decline of industry cannot be halted, writes William Dawkins



At the Utashinai Tirol hot bath in northern Japan, a retired coal miner eases into a velvet-covered electric cradle massage chair, and taps a keypad to order a foot rub.

This is industrial decline, Japanese style. The Utashinai Tirol, a Y400m (£26m) Swiss-style chalet paid for by the public sector, sits above a disused coal pit, closed two years ago.

Its baths, fed with volcanically heated water pumped up from the shafts, expect a sharp increase from today in custom from the latest and final batch of miners to lose their jobs in the area. For today marks the closure of Utashinai's last remaining coal mine and biggest employer, the 106-year-old Sorachi pit.

It is a victim of the yen's sharp rise, the shift to cleaner and cheaper sources of fuel, the bankruptcy of its owner and, above all, of a government plan for the orderly demise of the coal industry. The death of Sorachi brings the number of Japanese coal mines to three, from 600 25 years ago.

In keeping with Japan's taboo against redundancy, none of Sorachi's 840 mine workers will be left jobless

against their will. More than half have been found mining-related jobs elsewhere in the island of Hokkaido, and the remainder have taken early retirement. So Utashinai, Japan's smallest town, with a population of 7,500, will suffer in relative comfort.

It all contrasts with the traumatic mid-1980s mine closures which scarred communities in Europe, an example of Japan's skill at gently winding down industries that have become uncompetitive. More Japanese industrial towns will go Utashinai's way, as the yen's recent renewed rise sinks in cheap imports and erodes export competitiveness.

One secret has been to take the pain gradually, in measured doses. It was 10 years ago that the Japanese government launched a final plan to pull out of coal, triggered by the yen's jump after the Plaza accord to curb the dollar.

In execution, Japan's coal plan has never hit the political snags of its European counterparts because it was prepared through painstaking consensus among the Ministry of International Trade and Industry, the main mining companies and trade unions.

So Utashinai's ex-miners never took to the barricades with the same ferocity as the Europeans. Rather than doing the Japanese equivalent of burning tyres in the streets of

Brussels or attacking London's Downing Street, they spend their non-bathing hours at work and play at the curiously named Switzerland, a ski-resort replica of an Alpine village, also paid for by the local government. The chalets overlooking the spoil heaps are a symbol of the calmness with which Utashinai has moved to new, service industry-based life.

In Utashinai, as in other mining towns across Japan, coal's orderly march to the grave has also been helped with generous handouts. Accordingly, mining has received more state subsidies and tax cuts than any other industrial sector for much of the past decade, according to Mr Dick Beeson, senior economist at James Capel Pacific. This has enabled Utashinai to keep unemployment down to 4 per cent, a fraction of the rate in some of Europe's former coal mining regions.

Mr Yukio Machibata, Sorachi union president, admits that he had long known that closure was inevitable. He points as evidence to the memorial plates and trophies, issued by the 21 mines to mark their closure in Hokkaido in the past 10 years, arrayed in a glass cabinet facing his desk. A place is reserved for Sorachi's own memorial plaque.

The men at Utashinai had

done

everything possible to delay the end, by slimming costs, even cutting corners on safety, says Mr Machibata. He is proud that they managed to reduce the price of Utashinai coal from ¥15,000 to ¥14,000 a tonne over the past three years. Yet imported coal costs less than a third of that, a gap which Japanese mines can never hope to close, he admits.

There is a sense of sad resignation at the town hall, which inherits from Sorachi the dubious distinction of the biggest local employer. Mr Takashi Kawahara, the mayor, fears that Utashinai will no longer, after this latest blow, be able to manage its decline at such a gentle pace.

The government's largesse

has

kept the town comfortable but not stopped it from dying.

Mr Kawahara's attempts to attract job-creating companies have got nowhere. "Land is cheap and we certainly have plenty of employees, but our location is a disadvantage," he says.

Many of the companies he has approached point out that they prefer to invest in faster-growing markets in east Asia, rather than in Japan's maturing economy.

In the valley beneath Switzerland, a deserted road leads to a empty new industrial park. Rows of abandoned houses face the mine, just outside town, too costly to renovate to a

standard likely to attract new

comers, says Mr Kawahara.

Now he fears the mine closure will push the population below 5,000 within five years, beneath the level at which Utashinai can justify its status as a town with its own budget.

It may as a result have to merge itself closed and merge with a neighbouring municipality, says Mr Kawahara.

Utashinai was born with the coal industry, as a settlement around the Sorachi pit, and thus may die with the death of coal. It shows how Japan carries industrial policies full cycle from cradle, relentlessly through to the grave.

This article is the first in a three-part series on industrial adjustment in Japan

William Dawkins

### BUSINESSES FOR SALE

#### PUBLIC CALL FOR TENDERS FOR THE SALE OF THE ASSETS OF THE COMPANY UNDER THE TITLE "HOTEL AND TOURISM ENTERPRISES DIMITRIOS KARAMBATOS S.A."

The Societe Anonyme under the title ASTIKA AKINITA A.E. with head offices in Athens (43 Panepistimiou str.) lawfully represented under its capacity of special liquidator by virtue of resolution No. 3/18-1-95 of the Neaplion Court of Appeal, of the limited liability company "HOTEL AND TOURISMS ENTERPRISES DIMITRIOS KARAMBATOS S.A."

##### ANNOUNCEMENTS

A public call for tenders with sealed, binding offers, for the sale of the total assets of the enterprise under special liquidation by virtue of article 46a, I. 1892/1990, of which the object is the exploitation of the hotel "ELITE" of the society anonymous under the title "HOTEL AND TOURISM ENTERPRISES DIMITRIOS KARAMBATOS S.A."

ACTIVITIES AND BRIEF DESCRIPTION OF THE COMPANY

The company was founded on 18.10.1983 with the objective of exploiting the "ELITE" hotel, the establishment, operation and exploiting of hotel and tourism enterprises in Greece, as also the exercise of related projects or enterprises.

The assets of the company to be sold are described in detail in the offer memorandum and consist of one (1) hotel complex fully equipped, located in the Municipality of Verga, Kalamata, Prefecture of Messinia, on Navarinou street (coast road) and bears the title "ELITE".

It is an A Class hotel with a capacity of 57 rooms and 94 beds (20 single and 34 double rooms and 3 double suites). It is erected on a site with a total area of 6,800 sq.m. and it consists of a basement (770 sq.m.), a ground floor (1,000 sq.m.), a first storey (980 sq.m.), a second storey (730 sq.m.) and a terrace (270 sq.m.), plus the electromechanical installations required for the operational needs of the tourism unit and its security such as air conditioning, fire protection, kitchen installations, laundry, restaurant, telephone switchboard, etc.

##### INVITES

any interested party to receive, in the event they have not already received, the offer memorandum, and submit a sealed, binding offer accompanied by a letter of guarantee by a Bank operating lawfully in Greece.

##### TERMS OF THE CALL FOR TENDERS

1. The public call for tenders will be carried out according to the provisions of article 53 I, 2224/1994, the terms included in the present call for tenders and the terms of the offer memorandum, which interested parties may obtain after submitting a pledge of confidentiality in writing.

2. In order to participate in the call for tenders, interested parties are invited to deliver a sealed, binding offer in writing by

## NEWS: UK

# Competition chief accuses Stock Exchange

By Norma Cohen,  
Investments Correspondent

The Office of Fair Trading yesterday accused the London Stock Exchange of offering "significantly anti-competitive" privileges to member firms which buy and sell large quantities of shares.

Sir Bryan Carsberg, the director-general of fair trading, in a report to Mr Kenneth Clarke, the chancellor of the exchequer, challenged rules which some large UK firms insist are necessary for the City of London's success as a financial centre.

The report is likely to hasten

changes towards a European-style system of share trading, which could give foreign firms a greater role in the London market.

The UK firms which now dominate share trading argue that their privileges protect them from losing too much of their own capital, which they place at risk in a volatile market. They say that, if they cannot be cushioned against losses, the volume of share trading in London will fall.

The OFT says the exchange's rules maintain an unfair "quote-driven" system. Under this, marketmakers quote the best prices at which they will buy and sell shares through all

market conditions only on the exchange's Seag electronic bulletin board.

This system inhibits competition because other bulletin boards with lower dealing costs are ignored. Most European bourses operate "order-driven" systems, which match customers "buy" and "sell" orders directly — thus allowing competing prices to appear elsewhere.

The Securities and Investments Board, the City's chief watchdog, is considering the application by a firm called TradePoint to operate as a recognised electronic exchange, trad-

ing UK and other stocks on a order-driven basis. Sir Bryan said in the report: "It is not my role to advocate either system, but I am concerned that the development of order-driven markets in London should not be artificially inhibited by rules which limit the business they can attract." Sir Bryan said he did not find the marketmakers' arguments for retaining their privileges persuasive.

The Office of Fair Trading report said that rules allowing marketmakers to trade anonymously among themselves at prices below those offered to the market are also a barrier to competition.

In addition, the report attacks the rules which allow marketmakers to have an exclusive right to "borrow" stock. It said this gives them an unfair advantage over brokers, who can act only as agents between investors and not as principals who trade for themselves.

The Treasury is expected to pass the report to the SIB for consideration. It is unlikely to seek a referral of the exchange to the Monopolies and Mergers Commission, but could press for the exchange to make its rules more competitive. The Stock Exchange said it was studying the report.

## Top soccer club plans big expansion

Manchester United has ambitious designs on the future says Tim Burt

Manchester United — one of the world's great soccer clubs — yesterday scored a late equaliser for the battered reputation of the English game by announcing an ambitious expansion plan that has partly offset allegations of match-fixing and irregular payments to players.

Ending a week of mixed fortunes for the national sport, the club unveiled proposals for a £18.7m (\$30.65m) redevelopment of its famous Old Trafford stadium to increase capacity by 25 per cent and lift matchday takings from about £850,000 to £1.2m per game.

The news offered some solace to supporters who earlier this week saw three Premiership players arrested in connection with an alleged match-fixing scandal involving Malaysian gamblers.

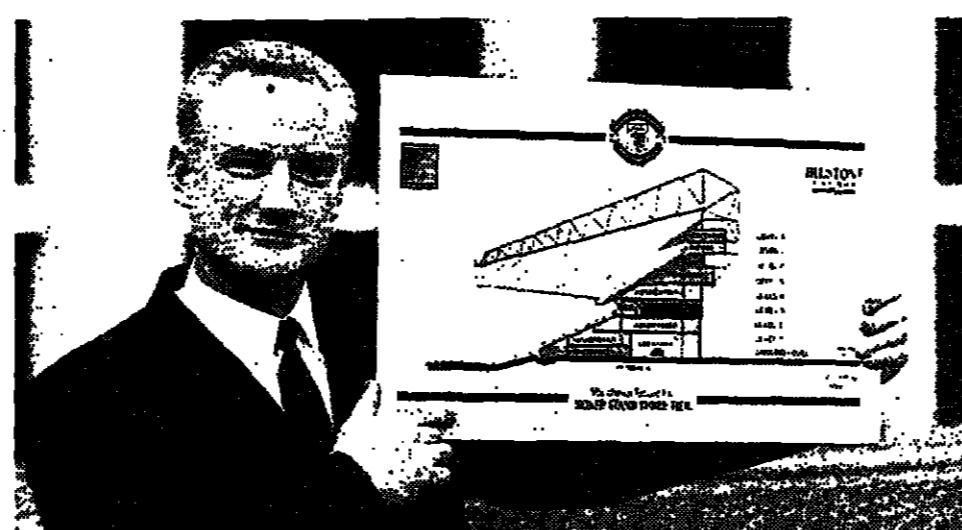
Emphasising that nobody at Old Trafford had been questioned by police or the Football Association about the claims,

directors of the Red Devils said they were intent on developing one of the country's premier sporting venues.

The club's announcement coincided with grandios plans from second-division Blackpool Football Club, Manchester's small north-west neighbour, to build a 25,000 stadium incorporating a removable grass pitch.

First-division Sunderland, meanwhile, said it had decided to build a £12m stadium in the north-east town — ending a long-running dispute with Nissan, the Japanese carmaker, over proposals for a ground next to its UK plant.

Manchester United told City analysts yesterday that it would fund its redevelopment from cash resources and borrowing. The club, which is expected to report improved half-year profits later this month, is financing the project with £7.2m in cash, £7.8m raised from selling bonds and



Robin Launders, Manchester United's finance director, with the stadium expansion plans

gifts and £12m of fresh borrowing.

Mr Robin Launders, finance director, said United — one of only three clubs quoted on the Stock Exchange — has agreed to pay £9.12m to acquire the land necessary to develop the

North Stand of Old Trafford, where a third tier would be added to meet growing demand from fans.

The development will include 32 new private boxes where seats will sell for £2,225 per season.

Mr Launders denied that the club was trying to challenge Wembley, London's self-proclaimed home of English soccer, which hosts the FA cup final.

"We are trying to design the best stadium for Manchester United, and no one else."

## Club's pitch may be shifted by hovercraft

Blackpool Football Club, for which Sir Stanley Matthews once danced his way down the right wing, is to build a pitch on a hovercraft, Ian Hamilton Fazey writes.

Hundreds of jets will lift the pitch on a bed of compressed air so that it can be towed out of a new £50m stadium and parked in the club's car park. The stadium would then be used for other events such as concerts, basketball, ten-

nis or boxing — with extra seating installed where the pitch was.

The stadium, which will be enclosed and air-conditioned, will seat 20,000 for football matches. It has been designed by Mackintosh Dickinson & Partners, a Blackpool firm of architects.

The Blackpool pitch and the platform carrying it will weigh about 1,000 tonnes. The pitch itself, which will be about 30cm thick, will have to be

moved out of the stadium occasionally anyway so the grass can photosynthesise in a natural environment.

The original plan for the new pitch envisaged movable sections, but SMP Atelier One, a firm of Manchester consulting engineers, discovered a stadium in Hawaii where a complete stand weighing 1,800 tonnes is moved on a bed of compressed air to change the stadium's configuration. The Blackpool

pitch will slide out under one of the long stands, which will be built like a suspension bridge leaving a supportless gap under its whole length.

Mr Michael Joyce, a partner with Mackintosh Dickinson, said: "We shall also be adding a leisure and fitness centre for Blackpool residents to use daily. We also expect more than 1,000 jobs to be generated from construction and operations."

## Government heading for fresh row over Europe

By Robert Peston,  
Political Editor

The British government next week faces a further damaging row with its Eurosceptic MPs when European Commission proposals for strengthening the European Union's external borders are debated.

The Commission's proposals are likely to unite Eurosceptic Tories — concerned that they transfer too much power over immigration controls to Brussels — with Labour MPs, who oppose a recommendation that visa requirements for entry to the UK should be extended to 30 Commonwealth members currently exempt from such controls.

Mr Charles Wardle — the former immigration minister who resigned earlier this year from his most recent job as a trade

minister — last night said he would argue that achieving common standards for external border controls was a "slippery slope", potentially leading to the removal of the UK's right to keep checks at its borders with other EU members.

Mr Wardle resigned because of his concern that the government was not doing enough to preserve these border checks. Though the debate will take place on Wednesday in an obscure standing committee on European affairs, it is expected to be packed by Tory Eurosceptics. The government plans to show that it takes their concerns seriously by having the debate opened by Mr Michael Howard, the home secretary.

The debate will be held on the day after an important Commons vote on the EU's

Common Agricultural Policy. That vote will determine whether nine rebel MPs are readmitted to the parliamentary party.

Senior party advisers say the rebels will be allowed to rejoin the government in the vote. A number of the expelled MPs — all of whom are hostile to the government's EU policy — said last night they would decide how to vote on seeing wording of the motion and that of Labour's amendment.

The debate will be held in a standing committee of 13 members. However, any MP can turn up to speak — but only the 13 can vote. The government has a built-in committee majority of one, but Tory members yesterday said they were considering abstaining or voting with the opposition.

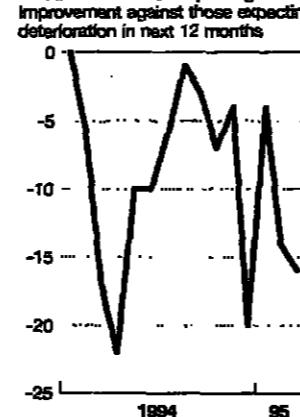
Some 21 per cent of consumers reported that they expected the economy to improve in the coming 12 months. But that was outweighed by 37 per cent expecting a further deterioration.

The net balance of 16 percentage points expecting economic conditions to worsen was the gloomiest response for almost a year, with the exception of a shortlived burst of pessimism in the wake of December's interest rate increase and mini-Budget. Confidence under this heading has dropped consistently so far this year.

Some 35 per cent of consumers said now was a good time to make a large purchase compared with 26 per cent saying it was not. This was a more pessimistic result than last month and worse than the average for last year.

### Confidence still falling

% of those expecting improvement against those expecting deterioration in next 12 months



Source: GfK

## Consumer poll reflects finance minister's fears

By Robert Chote,  
Economics Correspondent

The fears of Mr Kenneth Clarke, chancellor of the exchequer, that the "feelgood factor" will not re-emerge fully by the time of the next general election have been supported by a survey showing consumer confidence continues to slide.

The possible latest date for a general election is June 1997.

Gallup's latest monthly survey for the European Commission shows confidence falling when measured in a wide variety of ways.

Some 21 per cent of consumers reported that they expected the economy to improve in the coming 12 months. But that was outweighed by 37 per cent expecting a further deterioration.

The net balance of 16 percentage points expecting economic conditions to worsen was the gloomiest response for almost a year, with the exception of a shortlived burst of pessimism in the wake of December's interest rate increase and mini-Budget. Confidence under this heading has dropped consistently so far this year.

Some 35 per cent of consumers said now was a good time to make a large purchase compared with 26 per cent saying it was not. This was a more pessimistic result than last month and worse than the average for last year.

This notice is issued in compliance with the requirements of the International Stock Exchange of the United Kingdom and Republic of Ireland Limited ("the London Stock Exchange"). Application has been made to the London Stock Exchange for the whole of the ordinary share capital of United Breweries PLC, issued and to be issued, to be admitted to the Official List of the London Stock Exchange. It is expected that such admission ("Admission") will become effective, and that dealings will commence, on 13th April, 1995.

### UNITED BREWERIES PLC

(incorporated in England under the Companies Act 1985 with Registered No. 1899248)

#### Acquisition of Inn Business Limited

Subscription by UB Group (UK) Limited  
of 150,000,000 new Ordinary Shares of 25p each at 1p per share

Placing of 350,000,000 new Ordinary Shares of 25p each

at 1p per share with Open Offer

#### Capital Reorganisation and

Admission to the Official List  
of 642,318,848 new Ordinary Shares of 25p each

Sponsored by  
John East & Partners Limited

#### Share capital immediately following Admission

Authorised	Number	Issued and fully paid	Amount	Number
£3,000,000	1,200,000,000	in Ordinary Shares of 25p each	£1,605,787.12	642,318,848
£189,000	189,000	in Preference Shares of £1 each	£189,000.00	189,000
£5,845,330	1,539,291,612	in Deferred Shares of 25p each	£3,648,230.00	1,539,291,612

Copies of the listing particulars may be obtained during normal business hours on any weekday (Saturdays and public holidays excepted) up to and including 12th April, 1995 from:

John East & Partners Limited  
22-24 City Road  
London EC1Y 2AJ

Tingwick Industrial Estate

Tingwick Road

Buckingham MK18 1AN

and during normal business hours on 20th and 21st March, 1995, for collection only, from the Company Announcements Office, London Stock Exchange Tower, Capel Court entrance, off Bartholomew Lane, London EC2

18th March, 1995

### ETBA

HELLENIC INDUSTRIAL DEVELOPMENT BANK S.A.

ANNOUNCEMENT  
INVITATION FOR THE SALE  
BY PUBLIC AUCTION OF A MAJORITY BLOCK.  
UP TO 100% OF SHARES OF  
HELLENIC SHIPYARDS S.A. SEARAMANGA

ETBA has the following announcement to make with regard to the above-mentioned public auction: the invitation to which was published in the Greek and international press:

1. Following requests from interested investors for more time in which to submit offers which, according to the invitation, should be accompanied by a six-year business plan for the development of the company, an investment plan, etc. the deadline for submission of offer will be extended to 1400 hours on Wednesday 3 May 1995.

2. The agreement concerning the debt arrangement of Hellenic Shipyards S.A. mentioned in the invitation has been certified within the framework of article 44 of Law 1842/90 by Decision No. 2392/13.03.95 of the Athens Court of Appeal.

The bill for "the shares portfolio transfer of the company Hellenic Shipyards S.A. and other provisions" was passed by the appropriate parliamentary committee and will be introduced for debate and final vote in the plenary session of parliament.

The texts of the decision of the Appeal Court and the bill, as passed by the appropriate parliamentary committee, are at the disposal of interested investors.

3. Finally, it should be noted that no further extension will be given to the last date for submission of offers.

### The Financial Times plans to publish a survey on

## UK Construction

on Friday, March 31

For an editorial synopsis and information on advertising opportunities please contact:

Phil Dodson

Tel: (0171) 873 3389 Fax: (0171) 873 3062

FT Surveys

### UK NEWS DIGEST

## Bus companies queue to buy rail franchises

The strength of private-sector interest in British Rail's passenger train operations will become clear over the next few days as officials sift through preliminary bid applications. Bus companies emerged as keen potential buyers for passenger rail franchises yesterday as they registered their interest with the office of the franchising director, which is responsible for the sale. "Serious" levels of interest were reported.

Several management buy-out teams also said they were considering bids. Those bidders which are approved by the franchising director will be invited to tender. The first invitations are expected to go out by the end of April. The eight franchises currently on offer include Gatwick Express, which serves London's second-largest airport, and the east and west coast main lines from London to Scotland, as well as all other lines in Scotland.

Among potential bidders, Compagnie Générale des Eaux — a large French utility with interests in UK water and waste management — was understood to have registered an interest, though the company said it could not confirm this.

Charles Batchelor, Transport Correspondent

### Building society merger plan may boost withdrawals

## COMPANY NEWS: UK

## Distribution and horticultural businesses close to being sold Fisons sells R&D side to Astra

By Daniel Green

Fisons took its most important step yet in breaking itself up with the sale yesterday of its research and development operations to Astra, a Swedish rival, for £202m.

The disposal comes two weeks after the sale of the scientific instrument business to Thermo Instruments Systems of the US, also for £202m.

The distribution and horticultural businesses were close to being sold, said Mr Stuart Wallis, chief executive, adding that a reorganisation of the fragmented headquarters operations would be announced in the next 10 days.

The disposals and the unprecedented sale of an entire research and development operation will leave Fisons as a drug company based solely on production, sales and marketing, and a cash pile of perhaps £500m.

Mr Wallis said that this core business was not for sale, but would be built on with acquisi-

tions, joint ventures or "partial mergers".

For Astra, one of the world's fastest growing drug companies, the acquisition plugs a gap in its R&D effort.

"We have grown at 30-40 per cent a year but we have not expanded R&D at the same pace," said Mr Hascon Mogren, president and chief executive.

He said the deal was "brilliant" because Astra wanted only an R&D operation. "We don't have to buy anything we don't want."

Astra is buying into the market for aerosol inhalers for asthma. The asthma market is a Fisons speciality and Astra's second most important area. It is also acquiring drugs in early development for epilepsy, the heart and the nervous system.

The company said that the most advanced was an epilepsy drug which would be launched in four to five years if clinical trials went well.

Astra's R&D spending will rise by £500m (£525.5m), or 15 per cent, as a result of the

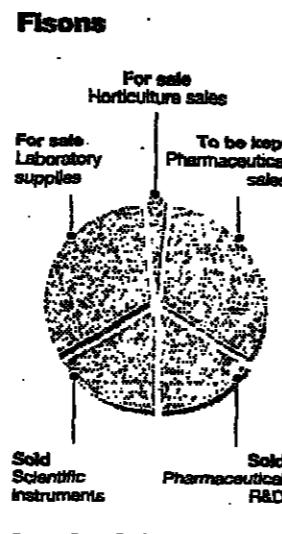
sale that in subsequent years, it will be keeping 200 of the 1,100 staff at its R&D centres in Loughborough, Leicestershire and in Rochester, New York. It also retains rights to a portfolio of drugs in late development and will earn royalties of less than 10 per cent of sales when Astra markets them.

Mr Wallis said that Fisons would be able to show an £85m profit on the sale.

On future plans, he said that banks were prepared to lend the cash to make significant acquisitions. Buying "product" would be "the number one priority". He was also in talks with a large pharmaceuticals company to sell a drug under licence.

There were many products with potential revenues of £30m to £70m a year which were too small for large drug companies but could be profitable for Fisons, Mr Wallis said.

The company was also prepared to commission basic research from biotechnology companies.



Source: Salus Bank Corporation

## Govett sues trust for \$100m damages

By Nicholas Denton

Govett & Co, the UK fund manager, is suing an investment trust it once managed for allegedly striking its acquisition of Duff & Phelps, the US fund manager.

Govett has begun proceedings in the US and the UK, seeking over \$100m (£63.3m) in damages against Govett American Endeavour Fund, its directors and owners.

In the US lawsuit, it alleges that American Endeavour terminated the management contract it had placed on a new bid. Some Northern shareholders vowed to fight on in an attempt to persuade its board to allow an immediate bid.

The main damage alleged is to Govett's acquisition plans, but Govett also says its reputation has suffered and that it has lost other business.

Parallel proceedings, for defamation, have been issued in the London High Court against Mr Graeme Elliot, a director of American Endeavour.

Govett's legal action is a riposte to American Endeavour's suit against it in February, which brought the dispute between fund and fund manager into the open.

American Endeavour accused Govett of a battery of offences including racketeering, a charge more commonly levelled at Mafia leaders and Wall Street financiers of the 1980s. Govett's reply prompted another suit from American Endeavour, this time for libel.

Roxspur and Wills both reported interim results yesterday. Roxspur incurred a pre-tax loss of £228,000, compared with a £433,000 deficit last time. In the wake of the Brealey acquisition, sales more than doubled to £3.41m (£1.54m). Losses per share were 0.5p (1.9p). There is no interim dividend.

Wills made an interim pre-tax profit of £260,000 (£275,000) on sales of £21.5m (£11.5m). Earnings per share, following an increase in the equity, fell from 0.38p to 0.3p, and the interim dividend is maintained at 0.115p.

After details of the lawsuit became public, the shares fell to 27p. They closed 4p down at 27p yesterday.

Duff & Phelps said it had no way of assessing the potential liability resulting from the litigation and had decided that its shareholders should not assume the risk. Govett then withdrew its offer.

Govett's management could be distracted by legal proceedings for some time. It has until April 10 to make its initial formal response to American Endeavour's charges. Lawyers say the case could take over a year to come to court.

## KPMG on verge of Ryman sale

By Patrick Harverson

Brunel Holdings, the engineering company formerly known as the BM Group, returned to the black with net assets following a series of acquisitions. It has since sold 17 businesses in an attempt to turn its fortunes round.

Mr Cliff Walker, chief executive, said yesterday: "We are climbing steadily back to respectability."

Mr Walker said the group's debt would be reduced further through the sale of surplus properties valued at £12.4m.

The management would concentrate on developing the materials handling, tobacco machinery, control systems, and fasteners and fabrications businesses. However, he added that work was needed to improve the web processing equipment and wood machinery operations.

Earnings per share were 10.9p (13.6p losses) and the interim dividend is again passed.

## Brunel back in the black with £12.6m

By Patrick Harverson

of £77.9m (£72.8m).

Brunel almost collapsed in 1993 when it breached covenants on interest cover and net assets following a series of acquisitions. It has since sold 17 businesses in an attempt to turn its fortunes round.

Mr Cliff Walker, chief executive, said yesterday: "We are climbing steadily back to respectability."

Mr Walker said the group's debt would be reduced further through the sale of surplus properties valued at £12.4m.

The management would concentrate on developing the materials handling, tobacco machinery, control systems, and fasteners and fabrications businesses. However, he added that work was needed to improve the web processing equipment and wood machinery operations.

Earnings per share were 10.9p (13.6p losses) and the interim dividend is again passed.

## AAH says Gehe trying to buy it 'on the cheap'

By David Blackwell

AAH, the drugs distributor and retailer, warned shareholders that Gehe, the German pharmaceuticals wholesaler, was trying to buy it "on the cheap with a cut-price bid for market leadership".

At the end of last month Gehe launched a £27.4m cash bid for AAH, which had warned of a further downturn in trading at its environmental services division.

The defence document, issued on the last possible day, shows that pre-tax profits for the year to the end of this month are expected to fall from £42m to £39m. However, operating profits from the principal healthcare businesses are expected to improve from £36m to £37.5m.

The document quotes Mr Dieter Kämmerer, executive chairman of Gehe, as saying that the German group would improve AAH by rationalisation and cost-cutting. Mr Bill Revell, AAH chief executive, said yesterday that the board had been doing precisely that for the last two years.

The implication that Gehe will be making improvements is invalid - we have already done it, he said. The group's new network would have almost the best developed information technology services in the world.

The document points out that if margins were to improve by 1 percentage point, £1.3m would be added to operating profits, raising earnings by 9.7p. At Gehe's offer multiple of 20.7, this would be worth a further 200p a share.

Gehe, which is offering 420p a share, said the defence document offered "little more than vague and unquantified promises for the future". Mr Kämmerer criticised the long-running underperformance of AAH's pharmaceuticals wholesale business, asking: "Why should its shareholders believe the future will be any different?"

## Top financial advisers lose clients

By Nicholas Denton

SG Warburg, Hill Samuel and Kleinwort Benson all lost clients for their financial advisory services last year, according to the 1995 Crawford's Directory, which tracks City connections.

Warburg lost three more clients than it gained. One of its largest clients, General Electric Company, listed it as joint adviser in 1994 but now declines to specify a financial adviser.

Warburg, the UK's largest investment bank, nevertheless remained at the head of the financial adviser rankings with 125.5 clients, joint advisers counting half a point.

### RESULTS

	Turnover (£m)	Pre-tax profit (£m)	EPS (p)	Current payment (£p)	Date of payment	Dividends corresponding dividend	Total for year	Total last year
Barclays	5 mths to Dec 31	87.1 (23.3)	12.6 (14.2)	10.8 (13.6)	n/a	-	n/a	n/a
Cairn Energy	Yr to Dec 31	15.6 (18.2)	0.39 (2.31)	0.65 (3.52)	-	-	-	-
Fortnum & Mason	26 weeks to Jan 21	18.8 (17.2)	1.99 (1.8)	1.75 (1.6)	310 (246)	85 June 29	85	110
Hill Samuel	Yr to Dec 31	223.8 (203.5)	23.6 (20.4)	5.65 (4.97)	11.71	May 23	10.5	17
Perry	Yr to Dec 31	382.8 (311.3)	5.07 (5.16)	1.33 (1.02)	4.75	July 1	4.25	7.5
Roxspur	6 mths to Nov 30	3.41 (1.54)	0.238 (0.133)	0.51 (0.19)	-	-	-	-
SG Warburg	Yr to Dec 31	638.7 (277.8)	21.94 (27.6)	8.3 (11.4)	2.951	May 19	2.4	4.1
Wassall	Yr to Dec 31	21.5 (11.5)	0.65 (0.575)	0.3 (0.36)	0.175	Apr 18	0.115	0.5
Wills	6 mths to Dec 31	21.5 (11.5)	0.65 (0.575)	0.3 (0.36)	-	-	-	-
Investment Trusts		NAV (£)	Attributable earnings (£m)	Current payment (£p)	Date of payment	Dividends corresponding dividend	Total for year	Total last year
Baring Emerging *	6 mths to Jan 31	0.66 (0.82)	0.41 (0.283)	0.033 (0.023)	-	-	-	0.2
English & Scottish	Yr to Jan 31	123.8 (144.4)	3.85 (3.18)	2.37 (1.96)	1.35	Mar 31	1.25	1.9
Hanover Sm Assets *	6 mths to Feb 28	0.87 (-)	1.06 (-)	0.025 (-)	-	-	-	-
HSBC Cities Fund *	Yr to Dec 31	1,622 (2,089)	1.58 (4.02)	0.0292 (0.0745)	-	-	-	-

Dividends shown as figures in brackets are for corresponding period. \*On increased capital. SfSUS stock. \*After exceptional charge. \*\*After exceptional credit. \*US dollars. \*\*Hong Kong dollar.

Dated 1st April 95.

## Panel refuses Trafalgar appeal to sidestep Code

By David Wighton

Trafalgar House suffered another setback in its battle to win control of Northern Electric yesterday when the Takeover Panel dismissed its appeal that Rule 35.1 of the Takeover Code be waived.

This would have allowed it to launch a lower offer for Northern without consent.

On Tuesday, Northern bowed to shareholder pressure and said it would allow a new bid to proceed once the intentions of the industry regulator had been clarified.

Trafalgar had lapsed its fili a share offer following Professor Stephen Littlechild's announcement that he was considering tightening controls on the industry. Under Rule 35.1 it would be prevented from launching another bid within 12 months without the Northern board's agreement.

The Panel said yesterday

that, although unusual, the circumstances of the regulator's intervention were not such as to justify waiving Rule 35 - which, it said, was one of the Code's "more important" rules.

"As with any hostile offer,

Trafalgar House chose to make an offer for Northern at a price and time and on terms and conditions of its own choosing.

When it did so, it knew that Northern was operating in a regulated sector and must have appreciated the possible consequences," the Panel said.

Although it recognised the significant support from Northern shareholders for a new offer, it said that it was for the board to decide what weight to give to that support.

"Directors' fiduciary duties inevitably require that they give careful consideration to the views of shareholders," it said. "If they do not do so, the shareholders ultimately have the power to replace them."

## Enlarged Wassall falls shy of City expectations

By David Wighton

Wassall, the UK-based conglomerate that acquired General Cable of the US for £177m last June, saw profits fall by 3.3 per cent. Mr Miller estimated that margins would be nearer 4 per cent this year on sales of \$1bn (£630m), generating profits higher than the \$22m predicted.

Turnover jumped from £277.8m to £288.7m.

However, excluding stock gains of about £6m reflecting higher copper prices, profits would have risen by 30 per cent to £35.8m, slightly below most City forecasts.

Mr Chris Miller, chief executive, said that Genera Cable had more than lived up to expectations and predicted another good year for the group even if the US economy slows.

Wassall took £19.9m of Genera Cable restructuring costs against profits to give a pre-tax figure of £21.9m (£27.6m). Earnings per share fell to 8.3p (11.4p).

A final dividend of 2.95p gives a total up 24 per cent at 41p.

gives a total up 24 per cent at 41p.

### COMMENT

The 8p fall in the shares to 249p might appear a curmudgeonly reaction to such good figures but Wassall made the fatal mistake of failing to match expectations.

The shares had already lost a lot of sparkle over the past few months and have now slipped below the General Cable rights issue price. Though there was little to worry about in the results, analysts detected a second half slowdown at DAP and the closures division, and have started to fret about the

## INTERNATIONAL COMPANIES AND FINANCE

**VW edges back into the black**By Andrew Fisher  
in Frankfurt

Volkswagen, the German motor group whose recent performance has sometimes been overshadowed by its management turmoil, yesterday confirmed the extent of its recovery with the announcement of a small profit in 1994 after a large loss the year before.

VW reported a net profit of DM150m (£109m), compared with a loss of DM1.94bn in 1993.

Turnover rose 4.5 per cent to DM69bn.

The dividend is being increased by DM1 a share to DM3, the highest for three

years but still well below previous levels.

Investments were 17 per cent higher at DM5.65bn.

VW said it expected a further slight increase in profits this year.

As well as the VW marques, the group also includes Audi, the up-market German car producer, Seat in Spain, and Skoda in the Czech Republic.

VW said that its latest models – including the small VW Polo, the Audi A4 executive car and the Skoda Felicia family model – had been highly successful and would help the group to enhance market share.



Ferdinand Piëch: expects profits increase this year

**Japanese brokers cut profit forecasts**By Eriko Terazono  
in Tokyo

Japan's small and medium-sized brokers were yesterday forced to revise downwards their earnings forecasts for the current financial year, ending this month, because initial estimates of trading volume on the Tokyo stock market proved to be over-optimistic.

For the third consecutive year, brokers had predicted that average daily volume would rise to between about 400m-450m shares.

However, the figure has been lower than 350m so far, and the second-tier brokers, which rely

heavily on stockbroking commissions, have been forced to scale down their earnings estimates.

Sanyo Securities, which is restructuring with the help of its three creditor banks – Bank of Tokyo, Nippon Credit Bank, and Daiwa Bank – and Nomura Securities, announced that it now expected a recurring loss – before extraordinary items and tax – of Y33bn (£365m) from Y7.5bn last year.

The new estimate is substantially worse than the earlier projected figure of Y18.7bn.

The company will also book Y5.5bn in extraordinary losses stemming from financial aid to

its two non-bank subsidiaries.

Daishi Securities also revised its projected recurring loss to Y9.5bn from Y7.5bn the previous year, remaining in the red for the fifth consecutive year. Yamatane Securities also said it will post its fifth consecutive recurring loss, with the figure estimated at Y8.5bn, compared with Y3.5bn a year earlier.

Cosmo Securities reversed its initial recurring profit projection. The broker now expects to remain in the red for the fourth year in a row, with a loss of Y8.5bn.

Kankaku Securities, revised its recurring loss for the current year to Y29.5bn from Y9.5bn. The company posted a current loss of Y7.5bn the previous year.

current loss of Y11bn, compared with a recurring profit of Y5.5bn a year earlier.

Okasan Securities, which posted a recurring profit of Y5.5bn last year, now predicts a current loss of Y13.5bn.

Wake Securities expects a current loss Y25bn against last year's profit of Y17.5bn, while New Japan Securities, which posted a recurring profit of Y1.5bn last year, forecasts a loss of Y17.5bn.

Kankaku Securities, revised its recurring loss for the current year to Y29.5bn from Y9.5bn. The company posted a current loss of Y7.5bn the previous year.

It also established a Finnish subsidiary which reported sales of SKr1.2bn.

Group operating profit after depreciation advanced to SKr2.3bn from SKr1.9bn in 1993.

The bottom line was further lifted by a halving of interest expenses to SKr1.3bn from SKr2.4bn and a fivefold increase in dividend income, stemming mostly from a SKr879m dividend from the winding up of the investment group Priorip.

In Skanska's Swedish home construction market, the group's biggest single area of operation, sales fell to SKr14.5bn from SKr14.9bn and operating profits slipped to SKr504m from SKr549m.

Skanska said overall construction investments were down 16 per cent in Sweden.

However, income from the group's miscellaneous services fell 2.3 per cent to SKr1.58bn as a result of competition for leased circuit business, which was liberalised with effect from the beginning of last year.

The company forecast a further improvement in net profit for 1995, in spite of some loss of market share as a result of the liberalisation of the Danish telecoms market.

The annual dividend was raised to SKr3.75 per share from SKr3.25 last year.

Turnover in the mobile phone business rose 19 per cent to DKr12.38bn from DKr11.90bn.

Depreciation costs fell to DKr3.7bn from DKr3.50bn, and net financial costs were cut to DKr2.60bn from DKr4.00bn a year earlier.

The result after net financial items rose 63 per cent to DKr1.92bn from DKr1.40bn.

The company forecast a further improvement in net profit for 1995, in spite of some loss of market share as a result of the liberalisation of the Danish telecoms market.

The annual dividend was raised to SKr3.75 per share from SKr3.25 last year.

**Danish telecoms group climbs 65% in year**By Hilary Barnes  
in Copenhagen

Tel Denmark, the subject of one of Europe's biggest privatisations last year, posted a 65 per cent increase in net profits to DKr2.57bn in 1994 (£456m) from DKr1.55bn a year earlier.

The improvement reflected higher turnover, moderate growth in operating costs and lower depreciation and net financial costs.

Earnings per share increased to DKr19.50 from DKr11.50.

There was a return on equity of 16 per cent.

The board has proposed a dividend of DKr10 per A share and DKr12 per B share (30.90 ADS).

Tel Denmark raised DKr18.5bn in last summer's privatisation issue, which reduced the state's holding in the monopoly telecommunications group to 51 per cent.

Turnover in 1994 advanced 10.4 per cent to DKr17.84bn from DKr16.29bn.

Operating costs rose 3.9 per

cent to DKr12.38bn from DKr11.90bn.

Depreciation costs fell to DKr3.7bn from DKr3.50bn, and net financial costs were cut to DKr2.60bn from DKr4.00bn a year earlier.

The result after net financial items rose 63 per cent to DKr1.92bn from DKr1.40bn.

The company forecast a further improvement in net profit for 1995, in spite of some loss of market share as a result of the liberalisation of the Danish telecoms market.

The annual dividend was raised to SKr3.75 per share from SKr3.25 last year.

Turnover in the mobile phone business rose 19 per cent to DKr12.38bn from DKr11.90bn.

Depreciation costs fell to DKr3.7bn from DKr3.50bn, and net financial costs were cut to DKr2.60bn from DKr4.00bn a year earlier.

The result after net financial items rose 63 per cent to DKr1.92bn from DKr1.40bn.

The company forecast a further improvement in net profit for 1995, in spite of some loss of market share as a result of the liberalisation of the Danish telecoms market.

The annual dividend was raised to SKr3.75 per share from SKr3.25 last year.

**Brightest brains plan for FF50bn headache**

The complex government-backed rescue package for Crédit Lyonnais unveiled yesterday is the product of some of the brightest thinkers at Bercy – the government economics and finance ministry – and their former colleagues working in business.

The package poses many questions. These include how far the labyrinthine financing structures it puts in place to deal with the bank's legacy of losses will save or cost the state money, to what extent they will impinge on its financial sector competitors, and how they will affect its ability to return to profitability.

Government officials, investment banking advisers, the regulatory bodies, auditors and executives at Crédit Lyonnais have spent months working on possible solutions and believe they have found the most effective way to deal with potential losses of up to FF50bn (£10.1bn).

The plan they have developed is designed to finance these losses over an extremely long period, while removing them in the short term from the balance sheet, where they could drag the bank beneath the solvency minimum of 8 per cent stipulated in the international agreed Cooke ratio.

The French government – which is obliged under existing banking legislation to act as

final guarantor – will act as the final underwriter of these assets. However, it will be covered by a series of pledges designed to ensure it has no direct exposure.

In exchange for the restructuring, Crédit Lyonnais is obliged to meet a series of tight financial targets and repayments to the state. It must also make a significant reduction in its activities, notably by selling off much of its banking network outside France and abandoning its large stakes in French companies. In addition, it has agreed to reduce its assets by a further FF100bn outside the plan.

Precise figures are still being calculated, but between FF120bn and FF135bn of Crédit Lyonnais' assets will be held in a corporate vehicle called Consortium de Réalisation (CDR). These include between FF40bn and FF45bn – essentially of property loans that were already hived off the balance sheet into a company called OIC last year as part of the first rescue package.

The new additions to CDR will be between FF45bn and FF45bn in Crédit Lyonnais' most troubled assets, including SDBO, Altus and MGM, and a similar amount representing its entire portfolio of large industrial stakes. Crédit Lyonnais has the right to buy back

its assets from CDR.

A leading French state-owned company faces ruinous losses.

Andrew Jack reports on a radical rescue plan which will face strong opposition at home and abroad

financing company controlled by the government, SDBI will be financed in turn by Crédit Lyonnais itself.

The risk is that Crédit Lyonnais finds itself too tightly constrained by these financial targets, and from the reduction in its operations.

The idea is that when the bonds mature in 2014 they will be able to cover all the losses

finally incurred by CDR, which they estimate at FF35bn at present.

The FF145bn loan from Crédit Lyonnais is to be financed at below market rates: at 7 per cent this year and thereafter at 85 per cent of money market rates – an opportunity cost for the bank which acts as an incentive for it to sell the CDR assets as quickly as possible.

However, the government has also devised three other ways to ensure that Crédit Lyonnais pays for the losses. The bank will be required to pay a generous annual dividend to the state, via SDBI. It will also have to strip out a significant proportion of its pre-tax profits to SDBI: 34 per cent up to the value of 4 per cent of its shareholders' funds and 60 per cent thereafter.

The state will also have the potential to generate revenues with the eventual privatisation of the bank – something which Mr Edmond Alphandéry, the economics minister, committed himself to yesterday.

The risk is that Crédit Lyonnais finds itself too tightly constrained by these financial targets, and from the reduction in its operations.

All they have to deal with now is parliamentary opposition and scrutiny by the European Commission on competition grounds. The indications so far are that this should not prove too difficult.

They have to deal with now is parliamentary opposition and scrutiny by the European Commission on competition grounds. The indications so far are that this should not prove too difficult.

They have to deal with now is parliamentary opposition and scrutiny by the European Commission on competition grounds. The indications so far are that this should not prove too difficult.

They have to deal with now is parliamentary opposition and scrutiny by the European Commission on competition grounds. The indications so far are that this should not prove too difficult.

They have to deal with now is parliamentary opposition and scrutiny by the European Commission on competition grounds. The indications so far are that this should not prove too difficult.

They have to deal with now is parliamentary opposition and scrutiny by the European Commission on competition grounds. The indications so far are that this should not prove too difficult.

They have to deal with now is parliamentary opposition and scrutiny by the European Commission on competition grounds. The indications so far are that this should not prove too difficult.

They have to deal with now is parliamentary opposition and scrutiny by the European Commission on competition grounds. The indications so far are that this should not prove too difficult.

They have to deal with now is parliamentary opposition and scrutiny by the European Commission on competition grounds. The indications so far are that this should not prove too difficult.

They have to deal with now is parliamentary opposition and scrutiny by the European Commission on competition grounds. The indications so far are that this should not prove too difficult.

They have to deal with now is parliamentary opposition and scrutiny by the European Commission on competition grounds. The indications so far are that this should not prove too difficult.

They have to deal with now is parliamentary opposition and scrutiny by the European Commission on competition grounds. The indications so far are that this should not prove too difficult.

They have to deal with now is parliamentary opposition and scrutiny by the European Commission on competition grounds. The indications so far are that this should not prove too difficult.

They have to deal with now is parliamentary opposition and scrutiny by the European Commission on competition grounds. The indications so far are that this should not prove too difficult.

They have to deal with now is parliamentary opposition and scrutiny by the European Commission on competition grounds. The indications so far are that this should not prove too difficult.

They have to deal with now is parliamentary opposition and scrutiny by the European Commission on competition grounds. The indications so far are that this should not prove too difficult.

They have to deal with now is parliamentary opposition and scrutiny by the European Commission on competition grounds. The indications so far are that this should not prove too difficult.

They have to deal with now is parliamentary opposition and scrutiny by the European Commission on competition grounds. The indications so far are that this should not prove too difficult.

They have to deal with now is parliamentary opposition and scrutiny by the European Commission on competition grounds. The indications so far are that this should not prove too difficult.

They have to deal with now is parliamentary opposition and scrutiny by the European Commission on competition grounds. The indications so far are that this should not prove too difficult.

They have to deal with now is parliamentary opposition and scrutiny by the European Commission on competition grounds. The indications so far are that this should not prove too difficult.

They have to deal with now is parliamentary opposition and scrutiny by the European Commission on competition grounds. The indications so far are that this should not prove too difficult.

They have to deal with now is parliamentary opposition and scrutiny by the European Commission on competition grounds. The indications so far are that this should not prove too difficult.

They have to deal with now is parliamentary opposition and scrutiny by the European Commission on competition grounds. The indications so far are that this should not prove too difficult.

They have to deal with now is parliamentary opposition and scrutiny by the European Commission on competition grounds. The indications so far are that this should not prove too difficult.

They have to deal with now is parliamentary opposition and scrutiny by the European Commission on competition grounds. The indications so far are that this should not prove too difficult.

They have to deal with now is parliamentary opposition and scrutiny by the European Commission on competition grounds. The indications so far are that this should not prove too difficult.

They have to deal with now is parliamentary opposition and scrutiny by the European Commission on competition grounds. The indications so far are that this should not prove too difficult.

They have to deal with now is parliamentary opposition and scrutiny by the European Commission on competition grounds. The indications so far are that this should not prove too difficult.

They have to deal with now is parliamentary opposition and scrutiny by the European Commission on competition grounds. The indications so far are that this should not prove too difficult.

They have to deal with now is parliamentary opposition and scrutiny by the European Commission on competition grounds. The indications so far are that this should not prove too difficult.

They have to deal with now is parliamentary opposition and scrutiny by the European Commission on competition grounds. The indications so far are that this should not prove too difficult.

They have to deal with now is parliamentary opposition and scrutiny by the European Commission on competition grounds. The indications so far are that this should not prove too difficult.

They have to deal with now is parliamentary opposition and scrutiny by the European Commission on competition grounds. The indications so far are that this should not prove too difficult.

They have to deal with now is parliamentary opposition and scrutiny by the European Commission on competition grounds

## COMMODITIES AND AGRICULTURE

WEEK IN THE MARKETS  
Rallies go into reverse

Most London commodity markets were yesterday looking for support near the lower ends of their recent trading ranges. A rally in base metals price went into reverse on Wednesday, as did the gold market's attempt to break upside resistance. Meanwhile coffee's rally was undermined by a higher-than-expected forecast for the next Brazilian crop.

The biggest loser among the base metals was aluminium. Having pushed up to \$1,889.75 a tonne on Tuesday the three months delivery price at the London Metal Exchange tumbled to \$1,800.50 at yesterday's close, down \$45 on the week. Traders attributed the downturn to the evaporation of buying interest rather than the weight of selling. Fundamentals remained constructive they said, but sentiment had turned bearish.

The aluminium market's loss of confidence infected other LME contracts. Three months copper retreated from Tuesday's peak of \$2,330 a tonne to \$2,281.50, down \$5 on the week, while lead and zinc also registered modest overall losses.

The nickel market was on the defensive all week, though selling pressure was not particularly heavy. Analysts told the Reuters news agency that a statement by Russia's Norilsk company, the world's biggest nickel producer, that it expected to export a slightly higher 80,000 tonnes of the metal in 1995 was a background factor as the three months LME price slid \$460 to \$7,355 a tonne.

The gold market was encouraged by a currency-driven uptrend challenge resistance above \$387 a troy ounce in mid-week. But after peaking at \$387.80 in London on Wednesday the price quickly fell back to \$387.50 and defeat was accepted. As speculative selling accelerated the decline the market soon found itself test-

ing support. It closed yesterday at \$383, up \$1.50 on balance.

In contrast, the palladium market found little difficulty in breaking through \$160 an ounce, which had proved an effective barrier last autumn.

The ever-increasing demand for electronic equipment has guaranteed a growing market for the precious metal, which is used in multi-layer ceramic capacitors. But traders suggest that Russia, the biggest producer of palladium, anxious to avoid its substitution by nickel, stands ready to sell from its stockpile to prevent the price from rising too high. The halting of the autumn rally at \$160 an ounce was widely attributable to Russian action, or anticipation of it.

This week's \$7 rise to \$163.75

LME WAREHOUSE STOCKS (At Thursday's close) tonnes

Aluminium -36,800 to 1,264,850  
Copper alloy -27,225,000  
Lead -4,150 to 300,000  
Nickel -322 to 125,540  
Zinc -8,025 to 1,046,250  
Tin -265 to 23,820

an ounce, the highest level for nearly six years, may indicate, however, that the Russian's have raised their "ceiling" in recognition of the solidity of demand and the relative cheapness of the metal to the Japanese electronics industry as a result of the appreciation of the yen against the dollar.

At the London Commodity Exchange the strong rally in robusta coffee prices was brought to an abrupt halt on Tuesday after the US Department of Agriculture published its latest assessment of Brazilian crop prospects. It put the 1995-96 frost-and-drought-affected harvest at 16.6m to 18.2m bags (60kg each) compared with the 15.7m to 17.7m it forecast in December and recent local estimates of 14m to 16m.

In response the LCE May futures position, which the previous day had reached a four-month peak of \$3.348 a tonne, plunged to \$3.100. It recouped most of that fall the same day, but renewed speculative selling yesterday left the price \$214 down on the week at \$3,083 a tonne.

Richard Mooney

## WEEKLY PRICE CHANGES

	Latest prices	Change on week	Year ago	1994/5 —
				Open High Low Close Vol.
Gold per troy oz	\$382.50	+1.50	\$386.20	\$386.50
Silver per troy oz	\$.28.50	-\$.03	\$.28.50	\$.28.50
Aluminum 60.7% (cast)	1,780.50	+0.34	1,781.00	1,780.50
Copper Grade A (cast)	2,026.5	+0.50	2,027.00	2,026.50
Lead (cast)	1,957.0	+0.50	1,957.00	1,957.50
Nickel (cast)	7,725.0	+0.50	7,725.00	7,725.00
Zinc SHG (cast)	1,009.5	-1.50	1,009.50	1,009.50
Tin (cast)	5,410.0	+0.50	5,410.00	5,410.00
Cocoa Futures May	2,006.4	-2.19	2,032.00	2,006.50
Super EDP (Raw)	\$.352.90	+0.40	\$.354.00	\$.352.90
Baileys Futures May	1,016.75	+3.00	1,016.50	1,016.75
Wheat Futures May	2,114.75	+3.80	2,106.50	2,114.75
Cotton Outlook A Index	1,123.00	+0.55	1,120.20	1,123.00
Wool (6ds Super)	5229	-	5300	5229
Cat (Brent Blend)	\$.16.6225	-	\$.17.64	\$.16.6225

Per tonne unless otherwise stated. \$ per Pounds, c cents b. 2 May

## WORLD BOND PRICES

## BENCHMARK GOVERNMENT BONDS

	Red Coupon	Date	Price	Day's change	Yield	Week ago	Month ago
Australia	9.000	09/04	93,0400	-0.80	10.19	10.25	10.19
Austria	7.500	01/05	100,4000	+0.34	7.42	7.54	7.65
Belgium	7.750	10/04	97,8100	-0.05	8.08	8.29	8.20
Canada	9.000	12/04	102,2000	-0.05	8.02	8.14	8.14
Denmark	9.000	04/05	101,0000	-0.05	8.04	8.16	8.16
France	9.000	05/05	101,0000	-0.05	8.05	8.17	8.17
GAT	7.500	04/05	101,4000	-0.050	7.59	7.60	7.27
Germany	7.750	01/05	101,4200	-0.010	7.18	7.37	7.37
Ireland	8.250	10/04	83,4000	-0.18	8.81	8.81	8.81
Italy	9.000	01/05	101,4000	-0.510	10.10	10.80	10.80
Japan No 119	4,800	08/09	102,8750	-3.28	3.47	3.59	3.59
Netherlands	1,7750	03/05	102,2200	-0.050	7.34	7.52	7.52
Portugal	1,8750	02/05	99,5500	-0.050	12.12	11.75	11.75
Spain	10,000	02/05	88,1500	-1.00	11.49	11.45	11.45
Sweden	8,000	08/08	91-10	-10/32	8.42	8.58	8.41
UK Gilt	8,500	12/05	100-02	-21/32	8.48	8.65	8.48
US Treasury *	7,500	02/05	102-18	-26/32	7.50	7.50	7.50
ECU (French Govt)	8,000	04/04	84,6300	-0.500	8.51	8.67	8.38

Source: MMS International

\* London sterling. New York mid-day.

† Gross (excluding withholding tax at 10.75 per cent payable by nonresidents).

Source: MMS International

## FINANCIAL TIMES

Number One Southwark Bridge, London SE1 9HL  
Tel: +44 171-873 3000 Telex: 922186 Fax: +44 171-407 5700  
Saturday March 18 1995

## Feel-bad or feel-bored?

**Mr Kenneth Clarke** provoked uproar this week by admitting that it might be years before UK voters feel good about the economic recovery. UK chancellors ought to know better than to risk honest assessments of the economy's prospects. But the evidence suggests that he may have got the economics of the upturn right, even if he got the politics wrong.

The benign view of Mr Clarke's *fauz pas* is that he is a man before his time. For the British consumer, a recovery without a housing or consumption boom sounds like a contradiction in terms. In time, so the argument runs, UK politicians may be able to win plaudits predicting a steady export recovery. But, for now, at least, candid chancellors with political ambitions might be advised to move to Germany.

Certainly, re-balancing the economy to favour exports and investment over consumption, and putting the public finances in order was never likely to be popular. But some argue that three interest rate increases since the autumn, set against a round of hefty tax rises, has caused economic damage as well as political. If true, that would make Mr Clarke's the voice of complacency rather than common sense.

Real consumer expenditure grew 2.5 per cent last year, only fractionally below its average rate of the past 25 years. Nevertheless, spending clearly slowed in the wake of the spring tax increases, increasing at an annual rate of 2.1 per cent in the second half of the year, against 2.9 per cent in the first two quarters. The February retail sales figures released this week paint an even more sombre picture. Although sales volumes in the three months to February were 2.1 per cent up on the same period a year earlier, they were only 0.1 per cent up on the previous three-month period.

### Durability of recovery

There are economic bright spots even on the retail side. Goldman Sachs estimates that sales of tickets for the new National Lottery were equivalent to 2% per cent of retail sales in November, and some 2% per cent in January. In the longer term, consumer spending ought to pick up after April, when taxpayers put the last of the new tax increases behind them. However, the most important questions about the durability of the recovery must relate to the strength of the manufacturing sector, particularly exports.

Export volumes picked up sharply over the course of 1994, growing at a 13 per cent annual rate in the second two quarters compared to 8.5 per cent during the first half. Even before the recent fall in sterling, there were

few signs that exports were sharing in the slight domestic economic slowdown of the second half of last year. A Confederation of British Industry survey in January found that export orders were at their most buoyant in nearly 20 years. Figures on the car industry released this week showed a 5.8 per cent rise in the production of cars for export in the year to February, as against a 12 per cent drop in output for the domestic market.

The fall of nearly 3 per cent in the trade-weighted value of sterling over the past month will give an added boost to the export sector. But the possible inflationary effects of this recent devaluation have left many arguing that Mr Clarke should be thinking about raising interest rates, not lowering them.

### Grounds for concern

Certainly, this week's price and earnings data, coupled with scattered evidence of rising capacity constraints, provide grounds for concern. Average earnings for the economy as a whole grew at an underlying rate of 3.5 per cent in the year to January, down on the 3.7 per cent recorded for the bulk of last year. But real wage moderation has not been enough to offset the effect of rising input prices. These are now passing through to producer output prices, which grew at an annualised rate of 5.1 per cent in the three months to February over the previous three months.

Employment growth and slowing demand has also meant a fall in manufacturing productivity, which grew at an annual rate of 4.6 per cent over the three months to January compared to 6.5 per cent in the preceding quarter.

Less rapid growth in output per head is all but inevitable in this stage of the economic cycle, yet the scale of the recent decrease is alarming. Is Mr Clarke indeed complacent, but about prices rather than demand?

According to the financial markets, the answer to that question would appear to be no. Ten-year bond yields have fallen by more than one third of a percentage point since the beginning of March, to about 8.5 per cent. Three-month interest rates have also fallen sharply in recent days, from about 6.75 per cent to closer to 6.5 per cent.

As has been true throughout the past few weeks, a good part of these bond and money markets trends is being driven by events other than Mr Clarke's supposed economic gaffes. But, by and large, his wait-and-see attitude on interest rates over the next few months seems the right policy for the economy. Whether his recent honesty was the right policy for the chancellor is another matter.

No figure was awaited with greater interest than the budget deficit which, as a percentage of gross domestic product, needed to be significantly lower than the 6.4 per cent estimated for the financial year just ending. Mr Liebenberg, helped by carrying unspent money from the reconstruction programme into the new financial year, announced a new target of 5.8 per cent. Although still too high for comfort, this does

represent an encouraging trend.

Even with this reduction, the cost of servicing accumulated debt in the new financial year is 18.5 per cent of total expenditure. "This makes it the second largest expenditure item after education," said Mr Liebenberg. "It means that nearly one rand out of every five rands of taxpayers' money is spent on servicing the debt. Can there be a more compelling justification of the need for fiscal prudence?"

There is a price to be paid, particularly by public sector workers. Despite inflation running at an annual rate of close to 10 per cent, Mr Liebenberg has allowed for a maximum addition to the public sector wage bill of just 3.25 per cent, in line with Mr Mandela's belt-tightening requirement. With public sector pay taking up 37 per cent of budget spending, down 2 per cent from last year, the government has left itself little choice but to adopt a resolute stance against trade union pressures if its fiscal strategy is not to be breached.

Growing tensions between the ANC and Cosatu, the country's largest labour federation and political ally, appear inevitable. Thus, in the space of a week, South Africa has abandoned its first line of defence against international currency speculators, and the ANC has sought to dampen the expectations of people who voted it into power last April. As recently as the

### South Africa: tough decisions ahead

**President Nelson Mandela and his estranged wife Winnie Mandela**



ANC congress in December, party leaders accepted criticism that not enough had been done last year, and promised to make 1995 the "year of delivery".

Mr Liebenberg had hesitated to scrap the financial rand a month ago because of what he saw as political uncertainties.

Political stability was hardly something South Africa could boast about. He said: "Not a jot has changed since then, and the sight of Mrs Mandela and Chief

has been convicted of kidnapping and is currently accused of a series of misdemeanours, including travelling abroad in defiance of the president, and using her official position to influence the award of housing contracts.

In short, Mrs Mandela is an embarrassment to the government, but is distinguished to do the honourable thing and resign. On the other hand, sacking her from government would be unlikely to diminish her popularity among the ANC rank and file. Despite criticism of her autocratic leadership style, Mrs Mandela has kept control of the powerful Women's League and, in December, came an impressive fifth in the voting for the 85-member ANC executive council.

This is, in part, because Mrs Mandela says things that go down well in the black townships, but poorly in government circles. Last month she used the occasion of a funeral for a black policeman, shot dead by a white colleague, to berate the government for being more responsive to the sensitivities of the whites than to the needs of deprived blacks. She later signed an apology dictated by the government, but no one thought it represented a change of heart. And when, soon afterwards, about 40 police, most of them white, raided her house with automatic weapons and dogs in

search of documents related to an element seeking to exploit problems created by - or unresolved by - the political transition.

This represents a formidable agenda for a government that is facing a rash of corruption allegations and a worrying tendency among disaffected groupings, from students to public servants, to resort to violence and hostage-taking in support of their demands. Mr Mandela has signalled that he is preparing to crack down on radical and criminal elements seeking to exploit problems created by - or unresolved by - the political transition.

Translating those invocations into action, while holding the line on its tough fiscal policies, will be more testing for the government than scrapping the financial rand. But it should be buoyed by how positively its actions of the past week have been received internationally, and by how little hostility they have attracted at home.

### The ANC has sought to dampen the expectations of people who voted it into power last April

Mangosuthu Buthelezi, leader of the Zulu-based Inkatha Freedom party, striding shoulder to shoulder into parliament on budget day was a timely reminder of two of the most pressing political challenges.

Opinion in the country is sharply divided over what President Mandela should do about his troublesome wife. She is pugnacious, combative, outspoken and, as deputy minister of arts, culture and science, ill-disposed towards the concept of collective cabinet responsibility. She has

## MAN IN THE NEWS: Stephen Dorrell

## The cerebral minister of fun

**E**ver since he casually mentioned six weeks ago that he could not remember when he last went to the cinema, Stephen Dorrell has tried zealously to prove that he is Mr Have-a-Good-Time.

The aside about the cinema was an unwise admission for the UK national heritage secretary, on his way to discuss the British film industry with a House of Commons select committee. It underlined how Dorrell has so far failed to find the deft political touch that could allow him to fulfil his early promise. Some had seen him as a future contender for the Tory leadership.

He is keen to correct the impression that he is too cerebral. Roy Hattersley, former Labour party deputy leader, recently described him as an intellectual, which Dorrell says was "obviously something designed to do me damage".

Among Dorrell's forays into popular life was his decision to ask the public what they thought about plans to preserve 40 post-war buildings by having them listed.

And last Tuesday he stood in for the prime minister at Stamford Bridge, where he sat next to Jean-Luc Dehaene, the Belgian premier, for Chelsea's victory against Bruges in the European Cup Winners' Cup. "Even to my untrained eye, it was a rather exhilarating game of football," he says.

The previous Friday, he was to be found riding the Big One - Blackpool's death-defying big dipper - having been dared by his officials. When they begged him to reconsider, he responded: "Don't forget I have a pilot's licence [he used to own a share in a Tiger Moth] and can perform aerobatics."

The question being asked in the media industry is whether he is



capable of an equally spectacular feat of political aerobatics - a 180-degree turn - in respect of the most sensitive issue currently before his department: liberalisation of the rules preventing newspaper groups owning more than 20 per cent of a television company and vice versa.

Many in the media industry complain these rules are outdated, because they prevent UK companies from becoming big enough to compete internationally; they are based on a distinction between print and television which has been made obsolete by the emergence of multimedia, and they give Rupert Murdoch, with his satellite TV network and newspaper empire, an unfair competitive advantage in the UK.

However, Dorrell's draft paper suggests only limited reform: an increase from 20 per cent to 29.9 per cent in the ownership ceiling.

Dorrell says he does not disagree with the industry's arguments, but he adds it is important for the media to have a variety of different voices - what I call the cacophony of voices argument. If you are going to have a healthy, functioning society, those are important elements to care for.

He is convinced that the Press Complaints Commission, set up in 1991, has a "better record in terms of self-regulation than the old Press Council". But there will be limited legislation to outlaw bugging and the use of telephone lenses for intrusion into people's homes, as suggested by the Calcutt report two years ago.

For someone in what is supposed to be a ministerial backwater - Dorrell is said to have been disappointed that his promotion to the cabinet last summer came with the heritage post rather than an economics one - he has had more than his fair share of controversy.

There is also friction between Dorrell and the newspaper industry over another item on his agenda - whether there should be a statutory framework to protect individuals

from newspaper intrusions into their privacy. On this he is more forthright, admitting to a "strong preference for the press regulating itself and accepting its own obligations". But he adds: "That preference depends on the press having a definition of its obligation and an enforcement mechanism that carries public conviction."

He is convinced that the Press

Complaints Commission, set up in 1991, has a "better record in terms of self-regulation than the old Press Council". But there will be limited legislation to outlaw bugging and the use of telephone lenses for intrusion into people's homes, as suggested by the Calcutt report two years ago.

For someone in what is supposed to be a ministerial backwater - Dorrell is said to have been disappointed that his promotion to the cabinet last summer came with the heritage post rather than an economics one - he has had more than his fair share of controversy.

He is convinced that the Press

Complaints Commission, set up in 1991, has a "better record in terms of self-regulation than the old Press Council". But there will be limited legislation to outlaw bugging and the use of telephone lenses for intrusion into people's homes, as suggested by the Calcutt report two years ago.

For someone in what is supposed to be a ministerial backwater - Dorrell is said to have been disappointed that his promotion to the cabinet last summer came with the heritage post rather than an economics one - he has had more than his fair share of controversy.

He is convinced that the Press

Complaints Commission, set up in 1991, has a "better record in terms of self-regulation than the old Press Council". But there will be limited legislation to outlaw bugging and the use of telephone lenses for intrusion into people's homes, as suggested by the Calcutt report two years ago.

He is convinced that the Press

Complaints Commission, set up in 1991, has a "better record in terms of self-regulation than the old Press Council". But there will be limited legislation to outlaw bugging and the use of telephone lenses for intrusion into people's homes, as suggested by the Calcutt report two years ago.

He is convinced that the Press

Complaints Commission, set up in 1991, has a "better record in terms of self-regulation than the old Press Council". But there will be limited legislation to outlaw bugging and the use of telephone lenses for intrusion into people's homes, as suggested by the Calcutt report two years ago.

He is convinced that the Press

Complaints Commission, set up in 1991, has a "better record in terms of self-regulation than the old Press Council". But there will be limited legislation to outlaw bugging and the use of telephone lenses for intrusion into people's homes, as suggested by the Calcutt report two years ago.

He is convinced that the Press

Complaints Commission, set up in 1991, has a "better record in terms of self-regulation than the old Press Council". But there will be limited legislation to outlaw bugging and the use of telephone lenses for intrusion into people's homes, as suggested by the Calcutt report two years ago.

He is convinced that the Press

Complaints Commission, set up in 1991, has a "better record in terms of self-regulation than the old Press Council". But there will be limited legislation to outlaw bugging and the use of telephone lenses for intrusion into people's homes, as suggested by the Calcutt report two years ago.

He is convinced that the Press

Complaints Commission, set up in 1991, has a "better record in terms of self-regulation than the old Press Council". But there will be limited legislation to outlaw bugging and the use of telephone lenses for intrusion into people's homes, as suggested by the Calcutt report two years ago.

He is convinced that the Press

Complaints Commission, set up in 1991, has a "better record in terms of self-regulation than the old Press Council". But there will be limited legislation to outlaw bugging and the use of telephone lenses for intrusion into people's homes, as suggested by the Calcutt report two years ago.

He is convinced that the Press

Complaints Commission, set up in 1991, has a "better record in terms of self-regulation than the old Press Council". But there will be limited legislation to outlaw bugging and the use of telephone lenses for intrusion into people's homes, as suggested by the Calcutt report two years ago.

He is convinced that the Press

Complaints Commission, set up in 1991, has a "better record in terms of self-regulation than the old Press Council". But there will be limited legislation to outlaw bugging and the use of telephone lenses for intrusion into people's homes, as suggested by the Calcutt report two years ago.

He is convinced that the Press

Complaints Commission, set up in 1991, has a "better record in terms of self-regulation than the old Press Council". But there will be limited legislation to outlaw bugging and the use of telephone lenses for intrusion into people's homes, as suggested by the Calcutt report two years ago.

He is convinced that the Press

Complaints Commission, set up in 1991, has a "better record in terms of self-regulation than the old Press Council". But there will be limited legislation to outlaw bugging and the use of telephone lenses for intrusion into people's homes, as suggested by the Calcutt report two years ago.

He is convinced that the Press

Complaints Commission, set up in 1991, has a "better record in terms of self-regulation than the old Press Council". But there will be limited legislation to outlaw bugging and the use of telephone lenses for intrusion into people's homes, as suggested by the Calcutt report two years ago.

He is convinced that the Press

Complaints Commission, set up in 1991, has a "better record in terms of self-regulation than the old Press Council". But there will be limited legislation to outlaw bugging and the use of telephone lenses for intrusion into people's homes, as suggested by the Calcutt report two years ago.

He is convinced that the Press

Complaints Commission, set up in 1991, has a "better record in terms of self-regulation than the old Press Council". But there will be limited legislation to outlaw bugging and the use of telephone lenses for intrusion into people's homes, as suggested by the Calcutt report two years ago.

He is convinced that the Press

Complaints Commission, set up in 1991, has a "better record in terms of self-regulation than the old Press Council". But there will be limited legislation to outlaw bugging and the use of telephone lenses for intrusion into people's homes, as suggested by the Calcutt report two years ago.

He

**M**rs E. is a teacher, was divorced six years ago after 26 years of marriage. She got half the house. "Pension?" says Mrs E. "No, I didn't ask about his pension." As a result, Mrs E., now 57, will have to continue working full-time until she is 65. "Otherwise I won't have enough pension."

It is women like Mrs E. that members of the House of Lords had in mind this week in debating a bill on occupational pension reform. Overriding the opposition of ministers, they amended the bill to ensure that divorced women get rights to a share of their ex-husbands' pension. These amendments will have to be passed by the Commons before becoming law.

In England and Wales, matrimonial law does not require that pensions be included in the division of assets in a divorce, although the courts sometimes take pension rights into account. In Scotland, the courts are required to do this, but have no power to insist that the trustees of pension schemes make payments to the divorced partner.

Ms Claire Melitzer, partner at solicitors Collyer-Bristow, says: "The courts can consider the matter until their eyes drop out. The reality is they can't do anything about it."

The principle that an ex-wife should have some share of her husband's pension entitlement has wide political support. The move to amend the pensions bill was prompted by three women, one from each of the three main political parties.

"On divorce, assets should be split up and everybody – even disgruntled ex-husbands – believe that pensions are an asset," says Mr Robin Ellison, partner at solicitors

## Norma Cohen on the dilemmas raised by moves in the UK to split pension rights on divorce

# Battle for slice of the conjugal cake

Hammonds Sudard specializing in pensions.

However, the complexities of occupational pensions and the emotions involved in a divorce will make it difficult to find a way of achieving a split acceptable to both parties. Opponents of the change say that dividing pension rights however logical or desirable – could provoke a backlash from ex-husbands faced with lower pensions for themselves, and perhaps the unravelling of existing court settlements. They cite the fierce opposition of absent fathers to the UK Child Support Agency's efforts to increase the maintenance paid to their children, which produced similar effects.

Yet the law cannot ignore pension rights, says Ms Maggie Rae, partner at solicitors Mishcon De Reya. "The trouble with pensions is that they are often the biggest asset in a middle-class divorce."

The issue has become increasingly important with the rising divorce rate. In 1985, just 3 per cent of British women over 60 were divorced, but that figure is expected to risen to 13 per cent by 2025.

Most of those divorced women will have little or no occupational or personal pension income of their own. About one third of women are eligible for some form of occupa-

tional pension, compared with two thirds of men.

Even those women with occupational pension rights are entitled to lower amounts on average than men. A 1992 report on retirement incomes by the Carnegie Foundation found the median occupational pension for men was £27 per week against the women's median of £24 per week. Because women earn lower salaries on average and often interrupt their working lives to bring up children, they accrue lower entitlements. Moreover, most married women rely on their husbands' pensions, even after their spouse has died.

The Lords amendments aim to deal with the problem in two ways. First, courts would be required to consider the value of a pension in dividing the marital assets in a divorce case. Second, they would be empowered to order pension scheme trustees to pay benefits to a divorcee person even if he or she was not a scheme member.

Legal and pensions experts caution that such well-intentioned ideas will be hard to put into practice. One problem is that the amendments do not say whether the changes should be retrospective – whether existing divorce agreements that ignore pension rights should be renegotiated.

The reopening of old agreements over child maintenance has been an important grievance among those campaigning against the Child Support Act. If there is retrospective over pension rights for divorces,

pension rights, divorced women are more likely to find themselves facing low incomes in retirement.

"This mostly affects women who are 45 or over and who have been a homemaker for most of their adult lives," Ms Melitzer says. These women have counted on their husbands' pensions and are unlikely ever to be able to earn enough in their remaining working years to replace the pension benefits.

The Lords amendments aim to deal with the problem in two ways. First, courts would be required to consider the value of a pension in dividing the marital assets in a divorce case. Second, they would be empowered to order pension scheme trustees to pay benefits to a divorcee person even if he or she was not a scheme member.

Legal and pensions experts caution that such well-intentioned ideas will be hard to put into practice. One problem is that the amendments do not say whether the changes should be retrospective – whether existing divorce agreements that ignore pension rights should be renegotiated.

The reopening of old agreements over child maintenance has been an important grievance among those campaigning against the Child Support Act. If there is retrospective over pension rights for divorces,



there will be similar opposition, says Mr Ellison. If not, he says, some aggrieved ex-wives will sue their divorce solicitors for failing to press for a share of the pension.

Even without retrospective, dividing pension rights will present complicated issues for the courts. One

possibility is to order scheme trustees to pay a lump sum equal to the value of the wife's share of the benefits into a personal pension.

Mr Ritchie of Scottish Equitable notes that the courts are likely to find considerable difficulty in determining how much should be trans-

ferred. Should it include a share of pension rights accrued by the husband before marriage, for example. Which of the different ways of calculating the lump sum needed to provide the benefits should be used? If the husband remains in his scheme until retirement date, should the wife be entitled to a pension related to the salary he earned in the year of the divorce or in the year of retirement?

There are also difficulties in valuing discretionary benefits of pension schemes such as early retirement provisions and pension increases after retirement.

**S**ome of the solutions may raise questions of equity among the husbands whose pension rights will be depleted by the change. Women tend to live longer than men, so the cost of providing them with the same pension as their husbands is higher. That could mean that the divorced wife should get more than half of the accumulated pension rights of her husband on divorce.

Finally, there is the question of what happens if the husband remarries. Improving the position of the first wife is achieved at the expense of the second family, whose pension rights are reduced. As with the Child Support Act, this creates a powerful lobby against the change.

The amendments passed by the House of Lords are silent on these matters. But Mr Ellison says that, no matter what the answers are, there will be those who argue that the solution is unfair.

That, however, is not a good enough reason for not going ahead with a legal mechanism to split a pension upon divorce. "Everywhere you look there are anomalies," he says. "The best you can hope for is the least bad solution."

**T**he lights of Trepassey have gone out in more ways than one. The only fish plant in this little town on the east coast of Newfoundland in eastern Canada closed in September 1991. About 700 people lost their jobs and Trepassey lost 10 per cent of its tax base.

Strapped for cash, the town council made cuts wherever it could, turning the sports stadium over to volunteers, putting fewer paper towels in municipal toilets, and – as its plight deepened – switching off street lights.

Trepassey's troubles help explain the wave of satisfaction which has swept Newfoundland in the 10 days since armed Canadian fisheries inspectors seized the Spanish trawler Estai on the high seas.

The vessel was released on payment of a C\$50,000 (£22,759) bond on Wednesday, after a diplomatic stand-off between Ottawa and both Madrid and the European Union. Canada has accused the Estai and other Spanish and Portuguese vessels of flouting international fishing rules, and of thereby threatening to destroy some of the few species still flourishing on the Newfoundland coast.

The affair will long be remembered for drawing attention to the far-reaching legal and environmental issues which surround the increasingly ruthless exploitation of the oceans.

The economic and social costs of over-fishing have become all too evident in recent years in Newfoundland, as well as parts of the neighbouring Canadian provinces of Nova Scotia, New Brunswick and Quebec.

Fish have been to Newfoundland what sheep are to Australia, or wheat to the US prairies. Starting with the Vikings and the Basques, the rich cod fishing grounds of the Grand Banks have for centuries drawn hardy souls from many parts of Europe to what Annie Proulx describes in her novel *The Shipping News* as "this rock, six thousand miles of coast blind-wrapped in fog".

The coast is dotted with hundreds of tiny communities, or outports, with such poetic names as Witless Bay, Come-by-Chance and Tickle Cove.

In these communities sons



Net result: Canadian fisheries officers check Spanish equipment

## Turbot-charged dispute

The row with Spain highlights the plight of one Canadian region, says Bernard Simon

typically dropped out of school to follow their fathers on to the boats. Daughters worked in the fish processing plants.

Mr Clyde Wells, Newfoundland's premier, says that for years, "we were operating under the assumption that cod was as plentiful as sand in the Sahara desert".

The first warning signs appeared in the 1980s, when foreign deep-sea trawlers began competing for cod against the inshore fishery.

More seeds of future trouble were sown in the 1970s and 1980s when the Canadian government sharply increased fishing quotas and encouraged new processing plants in the hope of stimulating economic growth. It discouraged diversi-

fication and emigration by allowing fishermen to collect generous unemployment insurance after working only 10 weeks a year.

Meanwhile, local and foreign vessels began using increasingly sophisticated fishing equipment to locate and catch fish. Marine scientists failed to detect changes in the cod stock, notably the growing proportion of fish below reproductive age.

By the time politicians and fishermen realised the extent of the problem, it was too late. The government quota setting the maximum permitted catch of cod in the region reached a peak of 286,000 tonnes in 1986. Six years later, virtually the entire cod fishery was shut

down, and has been ever since. The moratorium has spread to other threatened species.

The worst of the crisis however, is yet to come. The authorities initially hoped that the fishery would quickly recover; they introduced what was designed to be a temporary system of generous cash payments and training programmes. The package, as it is known locally, has put

the old canard that Sotheby's was run by businessmen pretending to be gentlemen while Christie's were gentlemen pretending to be businessmen.

The aristocratic Mr Henry Wyndham took over as chairman of Sotheby's in London last year, while Christie's is led by a former backroom boy, Mr Christopher Davidge.

Clear water has now opened up between the two auction houses. Christie's has adopted a much more aggressive marketing policy which led to a 13 per cent rise in sales last year to £282m. Sotheby's saw its turnover dip slightly in sterling terms, to £286m.

A sign of Christie's new policy came in January when it took out full-page advertisements in the New York Times to promote its auction of the contents of the apartment of Rudolf Nureyev, the dancer who died in 1993. The auction brought in \$8m, double the estimate, with every lot sold.

Having convivial experts in antiques is no longer enough for Christie's

**F**or years Sotheby's and Christie's, the twin peaks of the international art market, were more or less indistinguishable. Smooth specialists sold treasures for comparable prices.

The old canard that Sotheby's was run by businessmen pretending to be gentlemen while Christie's were gentlemen pretending to be businessmen has lost its relevance. The aristocratic Mr Henry Wyndham took over as chairman of Sotheby's in London last year, while Christie's is led by a former backroom boy, Mr Christopher Davidge.

Clear water has now opened up between the two auction houses. Christie's has adopted a much more aggressive marketing policy which led to a 13 per cent rise in sales last year to £282m. Sotheby's saw its turnover dip slightly in sterling terms, to £286m.

A sign of Christie's new policy came in January when it took out full-page advertisements in the New York Times to promote its auction of the contents of the apartment of Rudolf Nureyev, the dancer who died in 1993. The auction brought in \$8m, double the estimate, with every lot sold.

Having convivial experts in antiques is no longer enough for Christie's

## A picture of change

Antony Thorncroft on new sales policies at Christie's and Sotheby's



another collection also went well below expectation.

In spite of these close shaves, Christie's is again offering guarantees on two collections. One is three paintings belonging to Pamela Harriman, the US ambassador in Paris, valued at \$20m and including a Picasso that should make \$10m. The other is the collection of Ralph Colton, a New York lawyer, which contains a Modigliani also valued at \$10m.

Last week Christie's went a step further. Its 10 per cent commission charge for sellers was axed, and replaced

by a sliding scale of costs.

Goods which sell for more than \$60,000 will attract a 9 per cent commission, falling to just 2 per cent for properties worth more than \$2m.

The change will affect less than 20 per cent of the antiques handled by Christie's in terms of volume, but covers 80 per cent of the goods in terms of turnover. It is a bold attempt to counter the power of the big vendors who have

taken advantage of the fierce competition between Christie's and Sotheby's to haggle their charges to almost nothing.

After the collapse of the art market in 1990, the turnover of both companies dropped almost 60 per cent in one season. Both were so desperate to attract goods that they were prepared to undercut each other on commission. They could afford to cut their rates to sellers only by increasing their charges to buyers, and in 1993 these were raised to 15 per cent on lots selling for up to \$30,000.

But there is a limit to how much buyers are prepared to pay on top of the hammer price. And loading the charges on the buyer also raises questions about whether this is fair when the auction houses are acting for the seller.

"We don't intend to negotiate the vendor's premium in future," Mr Davidge says. "We want to rely on the strength of Christie's, its level of expertise, to attract goods."

Mr Davidge expects the new

scale of charges to add up to £15m to Christie's profits in the 1995-96 season, virtually doubling them. Much depends on whether important sellers accept the line that they will gain from higher prices in the auction room when they lose in higher charges.

Much more, however, depends on the response of Sotheby's which is continuing to negotiate commission over the most valuable items. When Christie's first introduced a buyer's premium in 1975 Sotheby's followed suit within days. Mrs Dede Brooks, president of Sotheby's, reckons she has a month to decide whether to maintain the policy, follow Christie's initiative or adopt a different approach.

So far, Sotheby's has attempted to rebuild its profits which – like Christie's – increased only marginally last year by keeping tight controls on its costs. Mrs Brooks says: "Our operating expenses are \$20m down on Christie's. Spending money is not necessarily the best way to sell works of art. When I see the market is starting to gear up then we will spend more on marketing."

The next few months could see such an upturn. In addition to the Harriman and Colin collections, the best group of Impressionists for five years is due to be sold. Collected by the late Donald and Jean Stralem, of the Lehman banking family, it includes an early Picasso expected to fetch more than \$10m. The whole collection should make well in excess of \$40m and Sotheby's is selling it without a guarantee: it believes the quality of the pictures will secure the best possible prices.

And yesterday, Christie's announced it was offering the most important Van Gogh to appear on the market since it sold the same artist's portrait of Dr Gachet for \$82.5m in 1990, still the record for any work of art at auction. In today's more subdued conditions a Van Gogh portrait has an estimate of \$7m to \$9m.

If these auctions go well, more valuable lots may come onto the market, with sellers tempted to accept the new, non-negotiable terms of Christie's. If they do so, Sotheby's cannot be far behind.

## Practical perspective on currency movement

From Mr Douglas Bruce

Sir, Dr D.A.A. Fegandini (Letters, March 14) laments the decline of sterling from SF13,980 in May 1979 to 1,889 this week. Regrettably though this may seem, perhaps I can set matters in some perspective.

In May 1979 a classical full-prize LP cost around SF26 here in Basle, and I was hard put to undercut this price (equivalent to £6.96) by ordering the same product by mail from the UK.

At present, however, a full-prize classical CD costs SF186 in the main shopping area of Basle, and if I order the same product (made in the same factory, often in Germany, and in plastic wrapping or gatromonic packaging) over their respective nearest frontier, or send off their mail-order to the US for clothing – or the UK for CDs.

This can be testified to by the thousands of Swiss in Basle, Geneva, St. Gallen and Lugano when they make their weekly food-shopping or gastronomic pilgrimage over the border.

A further cost saving arises

from licking a SF1 postage stamp as compared with buying a SF1.60 return train ticket to downtown Basle.

## LETTERS TO THE EDITOR

Number One Southwark Bridge, London SE1 9HL

We are keen to encourage letters from readers around the world. Letters may be faxed to +44 171-873 5938 (please set fax to 'fine'). Translation may be available for letters written in the main international languages.

## One man one vote, and good luck to Tiny

From Mr Kenneth G. Shepherd

Sir, It is apparent to me that, in the UK at least, we are witnessing the early stages of an emerging conflict between institutional "investors" and the ultimate beneficial owners of company shares. That is,

between corporate ownership and that of (a) individual shareholders and (b) the much greater number of individuals who are owed the benefits arising from share ownership through financial institutions of every type which have

invested their money, supposedly on their behalf.

I can imagine the following scenario, and I do not think it is by any means fanciful, at Lomio's forthcoming AGM.

More than 75 per cent of the shareholders present vote by raising their arms to appoint Mr

## MARKETS REPORT

**Lira plummets**

Renewed D-Mark strength yesterday saw both sterling and the lira fall to new historic lows, writes Philip Gash.

Continued pessimism about Italy's ability to get its gripes with structural economic problems saw the currency plummet by more than L160 against the D-Mark, from L1.212 overnight to a low of L1.275, before recovering to close in London at L1.250.

Trading conditions were nervous and volatile. Dealers said the bid/offer spread for the lira was never less than £1 all day, and sometimes as large as £5. These large spreads testify to extremely nervous markets.

The Bank of Italy intervened to support the lira, and the Bank of Portugal was also reported to be buying escudos. There was also strong talk of the Bank of Spain supporting the peseta.

Sterling was the other conspicuous casualty, falling to a new low against the D-Mark of DM1.3865, from DM1.3890, on Thursday, before recovering to finish at DM1.3863. The trade weighted index touched a low of 84.3, close to the all-time low of 83.9, reached in February 1993. The Irish punt also fell to a new low against the D-Mark, of DM1.212 overnight to a low of L1.275, before recovering to close in London at L1.250.

Trading conditions were nervous and volatile. Dealers said the bid/offer spread for the lira was never less than £1 all day, and sometimes as large as £5. These large spreads testify to extremely nervous markets.

The Bank of Italy intervened to support the lira, and the Bank of Portugal was also reported to be buying escudos. There was also strong talk of the Bank of Spain supporting the peseta.

Sterling was the other conspicuous casualty, falling to a new low against the D-Mark of

DM1.3865, from DM1.3890, on

Thursday,

before recovering to

close in

London at

DM1.3865,

from

DM1.3890,

on

Thursday,

before recovering to

close in

New York,

at

DM1.3865,

from

DM1.3890,

on

Thursday,

before recovering to

close in

London at

DM1.3865,

from

DM1.3890,

on

Thursday,

before recovering to

close in

New York,

at

DM1.3865,

from

DM1.3890,

on

Thursday,

before recovering to

close in

New York,

at

DM1.3865,

from

DM1.3890,

on

Thursday,

before recovering to

close in

New York,

at

DM1.3865,

from

DM1.3890,

on

Thursday,

before recovering to

close in

New York,

at

DM1.3865,

from

DM1.3890,

on

Thursday,

before recovering to

close in

New York,

at

DM1.3865,

from

DM1.3890,

on

Thursday,

before recovering to

close in

New York,

at

DM1.3865,

from

DM1.3890,

on

Thursday,

before recovering to

close in

New York,

at

DM1.3865,

from

DM1.3890,

on

Thursday,

before recovering to

close in

New York,

at

DM1.3865,

from

DM1.3890,

on

Thursday,

before recovering to

close in

New York,

at

DM1.3865,

from

DM1.3890,

on

Thursday,

before recovering to

close in

New York,

at

DM1.3865,

from

DM1.3890,

on

Thursday,

before recovering to

close in

New York,

at

DM1.3865,

from

DM1.3890,

on

Thursday,

before recovering to

close in

New York,

at

DM1.3865,

from

DM1.3890,

on

Thursday,

before recovering to

close in

New York,

at

DM1.3865,

from

DM1.3890,

on

Thursday,

before recovering to

close in

New York,

at

DM1.3865,

from

DM1.3890,

on

Thursday,

before recovering to

close in

New York,

at

DM1.3865,

from

DM1.3890,

on

Thursday,

before recovering to

close in

New York,

at

DM1.3865,

from

DM1.3890,

on

Thursday,

before recovering to

close in

New York,

at

DM1.3865,

from

DM1.3890,

on

Thursday,

before recovering to

close in

New York,

at



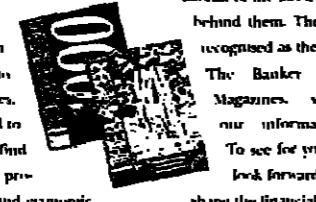
## **FT MANAGED FUNDS SERVICE**

• FT Cityline Unit Trust Prices are available over the telephone. Call the FT Cityline Help Desk on (+44 171) 873 4378 for more details.

SUBSCRIBE NOW

**One international  
financial institution  
fits comfortably  
in your briefcase**

Since 1926, The Banker has been acknowledged for its authoritative commentary on international banking. Every month, it provides essential market information on global banking. From capital markets to corporate finance, M&A to equity transactions, swaps to derivatives. Banking professionals would be well advised to consider its contents before acting. You'll find regular features such as country surveys to provide you with the inside track on political and economic affairs - worldwide. And our reviews on banking IT keep you abreast of the latest strategies and the technological hazards behind them. Then there are our famous listings, widely recognised as the industry's definitive benchmark. Finally, The Banker is published in Financial Times Magazines, so you can be assured that our information sources are utterly reliable. To see for yourself, just fill in the coupon below. We look forward to helping you make the decisions that shape the financial world.



# THE BANKER

**Yes**, as one of the ways of The Banker without obligation I understand that during my free trial period you will send me a subscription order referring to your next supply of The Banker. If I decide not to subscribe I simply write "cancel" on the document, return it to the address below and I will receive nothing. This applies to new subscriptions.

<input type="checkbox"/> Mr	<input type="checkbox"/> Mrs	<input type="checkbox"/> Miss	<input type="checkbox"/> Single	<input type="checkbox"/> Married	<input type="checkbox"/> Widowed	<input type="checkbox"/> Divorced
Mr/Mrs/Miss:				Job Title:		
Company Name:						
Address:						
				Postcode:		
Tel:				Fax:		
Name of Business:						
CALL 1845 00842585 OR FAX BACK ON OUR HOTLINE 0845 0121 452 8105						
<b>Alternatively, return this form to: THE BANKER, PO BOX 461 BROMLEY, BR2 9WP, UK</b>						
<small>The information you provide will be held in confidence and used solely for the purpose of making a proposal to you.</small>						
<small>© The Banker Ltd. Registered Number 2748521. Registered Office: 40 High Street, Bromley, Kent, BR1 1HH.</small>						

---

**INSURANCES**

## **FT MANAGED FUNDS SERVICE**

- FT Cityline Unit Trust Prices are available over the telephone. Call the FT Cityline Help Desk on (+44 171) 873 4378 for more details.

## **WORLD STOCK MARKETS**

UNITED STATES (Mar 17 / US\$)								EUROPE							






+/ -	High	Low	Ytd	P/E	+/ -	High	Low	Ytd	P/E	+/ -	High	Low	Ytd	P/E	+/ -	High	Low	Ytd	P/E






17	16	15	14	13	17	16	15	14	13	17	16	15	14	13	17	16	15	14	13






Argentina	10,269.47	12,184.41	25,470.40	16,294	980.08	93.65	Japan	129.29	130.82	1322.46	1712.73	13,686	1291.29	177.05	Industrials	4063.15	4063.37	4048.75	4068.15	41.22






Australia	1921.2	1903.9	2340.80	32/24	1823.33	82.65	Malaysia	1701.94	1723.05	1745.60	2562.65	67/94	1701.94	173.95	Home Bonds	97.52	97.38	97.62	106.93	54.99






AI Ordinates(1/160)	848.1	844.7	845.5	1136.10	32/24	753.30	82.65	NLSE Comp.(4/165)	850.43	943.88	937.32	1314.46	5/1/94	840.37	24/1/95	Transport	1580.32	1585.37	1576.63	1682.23	12.32






Austria	388.8	368.21	368.40	450.66	2/24	361.34	32/25	IPC (Mar 1978)	14	1588.55	1611.73	2861.17	8/2/94	1447.82	27/2/95	Utilities	188.11	188.76	188.70	222.06	7.78






Croat Alden(3/1/64)	984.05	989.32	989.25	1222.25	12/24	988.30	32/25	Netherlands	1312.68	1305.82	1302.64	1562.85	9/2/94	1271.53	9/3/95	Belgium	1312.68	1305.82	1302.64	1562.85	9/2/94






Belgium	1312.68	1305.82	1302.64	1562.85	9/2/94	1271.53	9/3/95	BELEX (1/1/91)	1312.68	1305.82	1302.64	1562.85	9/2/94	1271.53	9/3/95	Brussels	1312.68	1305.82	1302.64	1562.85	9/2/94






Brazil	44	31417.0	23940.0	551110.00	13/9/94	3009.80	31/9/94	Bovespa (3/1/63)	44	31417.0	23940.0	551110.00	13/9/94	3009.80	31/9/94	Canada	44	31417.0	23940.0	551110.00	13/9/94	3009.80






Canada	10	12699.47	12418.41	25470.40	16/294	980.08	93.65	Comex(1/1/75)	44	31515.55	3232.65	4286.07	18/165	3208.06	3/2/94	Compal(1/1/75)	44	31515.55	3232.65	4286.07	18/165	3208.06






China	44	31425.0	3122.25	100.25	12/24	3122.25	12/24	Comptel(4/1/63)	44	31425.0	3122.25	100.25	12/24	3122.25	12/24	Comptel(4/1/63)	44	31425.0	3122.25	100.25	12/24	3122.25






Chile	44	5221.81	5167.4	5754.40	21/11/94	3001.20	4/4/94	FGA Gen (3/1/63)	44	5221.81	5167.4	5754.40	21/11/94	3001.20	4/4/94	Denmark	44	31417.0	23940.0	551110.00	13/9/94	3009.80






Denmark	44	31417.0	23940.0	551110.00	13/9/94	3009.80	31/9/94	Dortmund(3/1/63)	44	31417.0	23940.0	551110.00	13/9/94	3009.80	31/9/94	Finland	44	31417.0	23940.0	551110.00	13/9/94	3009.80






Finland	44	31417.0	23940.0	551110.00	13/9/94	3009.80	31/9/94	GEICO(3/1/63)	44	31417.0	23940.0	551110.00	13/9/94	3009.80	31/9/94	Germany	44	31417.0	23940.0	551110.00	13/9/94	3009.80






France	1186.40	1182.15	1162.35	1062.00	10/1/94	1061.19	31/1/94	GEICO(3/1/63)	1186.40	1182.15	1162.35	1062.00	10/1/94	1061.19	31/1/94	GEICO(3/1/63)	1186.40	1182.15	1162.35	1062.00	10/1/94	1061.19






GEICO(3/1/63)	1186.40	1182.15	1162.35	1062.00	10/1/94	1061.19	31/1/94	GEICO(3/1/63)	1186.40	1182.15	1162.35	1062.00	10/1/94	1061.19	31/1/94	GEICO(3/1/63)	1186.40	1182.15	1162.35	1062.00	10/1/94	1061.19






Germany	744.87	746.71	882.27	1858.64	7/1/94	741.38	10/3/94	Germany(3/1/63)	744.87	746.71	882.27	1858.64	7/1/94	741.38	10/3/94	Germany(3/1/63)	744.87	746.71	882.27	1858.64	7/1/94	741.38






Germany(3/1/63)	744.87	746.71	882.27	1858.64	7/1/94	741.38	10/3/94	Germany(3/1/63)	744.87	746.71	882.27</th

#### **The bull and bear necessities**

No ET, no comment

## AMERICA

**Dow follows bonds, \$ lower**

## Wall Street

US share prices edged off Thursday's record close in busy trading yesterday morning on the heels of declines in the currency and bond markets, writes Lisa Brunstein in New York.

By 1pm, the Dow Jones Industrial Average was 3.81 lower at 4,065.34. The Standard & Poor's 500 fell 0.24 at 495.17, and the American Stock Exchange composite lost 1.47 at 456.00. The Nasdaq composite rose 0.41 at 809.75. Volume on the NYSE was 268m shares.

A slipping dollar exerted downward pressure on the bond market, where the 30-year Treasury slipped just over a quarter of a point by midday to yield 7.28%. In morning trading, the dollar fell against the yen and the D-Mark as the Ger-

man currency hit record highs against other European currencies.

Traders attributed some of the market's movement to options trading related to the afternoon's so-called triple-witching hour when options on futures and stock indices expire at the same time in the last hour of trading. The last triple-witching hour occurred on December 16 and on that day the Dow ended more than 40 points higher.

Options-driven trading related to triple-witching was cited as the reason for yesterday's unusually heavy trading volume.

The Nasdaq outperformed other indices as several technology shares traded on that index posted gains. Microsoft rose 1.3% at \$71.4, Lotus Development increased 4% at \$41.4, Oracle Systems was 3% higher

at \$33.7 and Bay Networks was up 3% at \$34.7.

Cincinnati Microwave, which also trades on the Nasdaq, jumped 3.1% at \$11 on news that the company and Motorola had agreed to share patents on equipment that allows for data transmission over cellular networks. Motorola was off 1% at \$55% on the news.

Merck rose 5% at \$43.7 after the US Food and Drug Administration approved a new chickenpox vaccine. Pfizer rose 5% at \$85.85 after the company said on Thursday that it was comfortable with analysts' earnings estimates and that it would increase research and development by about 20 per cent this year.

Chromimed lost 3.1% at \$12.4 after the company said that it might experience a "slight loss" in the third quarter.

Barrick Gold rose 5% at \$23.5 after J.P. Morgan initiated coverage of the mining company with a "buy" rating and said that it expected the price to increase to \$35 to \$37 on the next 12 months.

## Canada

TORONTO dropped in heavy midday trade with turnover boosted by the option and futures expiry in the US.

The TSE 300 composite index was off 5.29 at 4,200.33 in heavy volume of 40m. Strength in gold media and utility shares was offset by losses in conglomerates, banking and consumer products.

The broadcaster, WIC Western B shares rose C\$2 to C\$3 on continuing takeover speculation. PW Corp was heavily traded with the shares unchanged at C\$0.445.

**Rumours leave Brazil down 5.8%**

Brazil stocks pared some of their early losses at midday after a government official denied rumours that Mr Pedro Arida, the central bank chief, and Mr Gustavo Franco, the bank's international affairs director, had resigned.

"Sentiment has turned very negative in the past few days," says Josef Scherrer, market strategist at Credit Suisse in Zurich.

The Bovespa index was 1,183 or 5.8 per cent lower at 20,694 by 1pm, having been marked down to 23,027 in earlier, nervous trading. Turnover was B\$41.2m (\$179.7m). Telebras preferred tumbled 8.2 per cent to B\$23.50 while Electrobras preferred gave up 8.5 per cent to B\$17.2.

Buenos Aires was 4.9 per cent down in late morning trade as further profit-taking took Argentine shares lower. The Merval index lost 16.92 to 330.85 as Alpargatas fell 8.9 per cent.

**Swiss market squeezed by the franc's strength**

The banks feel the pinch as well, says Ian Rodger

Banks stocks pared some of their early losses at midday after a government official denied rumours that Mr Pedro Arida, the central bank chief, and Mr Gustavo Franco, the bank's international affairs director, had resigned.

"Sentiment has turned very negative in the past few days," says Josef Scherrer, market strategist at Credit Suisse in Zurich.

The Swiss market has advanced 4.9 per cent this month while SME bearers are off 9 per cent.

Investors have been especially dismayed by this development because many Swiss companies have just come through a period of restructuring and were looking set to produce some very good earnings growth. Until the dollar

not lacked for surprises, both good and bad. On the positive side, Alusuisse, the rejuvenated aluminium, packaging and chemicals group, reported more than doubled earnings and promised another 50 per cent jump this year.

ABB Asea Brown Boveri, the power engineering group, broke out of a four-year period of stagnant earnings to raise pre-tax profits by a fifth last year. BBC bearers have advanced 9 per cent from SFr1.02 to SFr1.17 since the March 5 announcement, bucking the machinery industry trend.

But the three big banks, Union Bank of Switzerland, Credit Suisse and Swiss Bank Corporation, all produced sharply lower profits and nasty surprises. UBS revealed that it had invested SFr3.6bn in its own shares during a proxy battle last autumn and had to write down their value by SFr235m when the shares fell.

Credit Suisse's reputation for takeover skills was dented by the admission that it had to inject another SFr300m into its 1993 acquisition of Swiss Volksbank. And Swiss Bank Corporation's high reputation in the derivatives area was shattered by the news that it lost SFr65m on securities trading last year and was taking steps to tighten controls.

Nevertheless, bank shares have advanced since the beginning of March, apparently reflecting their lack of sensitivity to foreign exchange rates and a feeling that all the bad news is out.

"There is a case for staying with the financials. They can hardly get worse," says Frederick Haasenauer of Bank Sal Oeconomie in Zurich.

Other analysts believe the sell-off in the whole market has been exaggerated. Mr Scherrer believes Switzerland's attraction as having in trouble times combined with very low interest rates could drive more money into the stock market in the next few months. He predicts the SMI index, which yesterday rose 5.8 to 2,497.5, up 1.2 per cent on the week, will end the year at 2,800.

## EUROPE

**Currency turmoil hits Milan and Frankfurt**

Currency turmoil hit the weak in Italy, and the strong in Germany. Meanwhile, airlines and automotive stocks reacted to brokers' downgrades, although both sectors had their star performers, writes Our Markets Staff.

MILAN tumbled as the lira plummeted to a new low with the real-time Mibid index losing 330 or 3.4 per cent to 9,324. The Comit index fell 9.65 to 583.04 for a total of 2 per cent decline on the week.

Mr James Cornish at NatWest Securities said that even after Thursday's confidence vote, many uncertainties remained. There had been no let-up in right-wing criticism of Mr Lamberto Dini's government as it set about the difficult task of reforming the pension system, while the date of the next election, and its outcome, were still far from clear.

Heavy selling was seen across most sectors. Fiat, the market bell-wether, lost L261 to L6,123 in volume of 29.2m shares.

Banks were sharply lower, still reflecting heavy 1994 losses announced during the week by Banco Di Napoli and Banca Popolare di Milano. BCI lost L146 to L3,270 and Credito

FT-SE Actuaries Share Indices									
Mar 17	Open	10.30	11.00	12.00	13.00	14.00	15.00	Close	
FT-SE Eurotrack 100	1243.42	1241.15	1238.78	1241.27	1240.45	1235.21	1233.19		
FT-SE Eurotrack 200	1347.48	1346.50	1344.12	1352.29	1361.21	1344.98	1344.12		
Mar 16	1240.54	1239.55	1242.42	1222.41	1231.87				
FT-SE Eurotrack 100	1240.54	1239.55	1242.42	1222.41	1231.87				
FT-SE Eurotrack 200	1336.98	1329.28	1342.29	1321.71	1322.21				
Mar 15	1240.54	1239.55	1242.42	1222.41	1231.87				
FT-SE Eurotrack 100 - 100	1240.54	1239.55	1242.42	1222.41	1231.87				
FT-SE Eurotrack 200 - 200	1336.98	1329.28	1342.29	1321.71	1322.21				
Mar 14	1240.54	1239.55	1242.42	1222.41	1231.87				
FT-SE Eurotrack 100 - 100	1240.54	1239.55	1242.42	1222.41	1231.87				
FT-SE Eurotrack 200 - 200	1336.98	1329.28	1342.29	1321.71	1322.21				
Mar 13	1240.54	1239.55	1242.42	1222.41	1231.87				
FT-SE Eurotrack 100 - 100	1240.54	1239.55	1242.42	1222.41	1231.87				
FT-SE Eurotrack 200 - 200	1336.98	1329.28	1342.29	1321.71	1322.21				
Mar 12	1240.54	1239.55	1242.42	1222.41	1231.87				
FT-SE Eurotrack 100 - 100	1240.54	1239.55	1242.42	1222.41	1231.87				
FT-SE Eurotrack 200 - 200	1336.98	1329.28	1342.29	1321.71	1322.21				
Mar 11	1240.54	1239.55	1242.42	1222.41	1231.87				
FT-SE Eurotrack 100 - 100	1240.54	1239.55	1242.42	1222.41	1231.87				
FT-SE Eurotrack 200 - 200	1336.98	1329.28	1342.29	1321.71	1322.21				
Mar 10	1240.54	1239.55	1242.42	1222.41	1231.87				
FT-SE Eurotrack 100 - 100	1240.54	1239.55	1242.42	1222.41	1231.87				
FT-SE Eurotrack 200 - 200	1336.98	1329.28	1342.29	1321.71	1322.21				
Mar 9	1240.54	1239.55	1242.42	1222.41	1231.87				
FT-SE Eurotrack 100 - 100	1240.54	1239.55	1242.42	1222.41	1231.87				
FT-SE Eurotrack 200 - 200	1336.98	1329.28	1342.29	1321.71	1322.21				
Mar 8	1240.54	1239.55	1242.42	1222.41	1231.87				
FT-SE Eurotrack 100 - 100	1240.54	1239.55	1242.42	1222.41	1231.87				
FT-SE Eurotrack 200 - 200	1336.98	1329.28	1342.29	1321.71	1322.21				
Mar 7	1240.54	1239.55	1242.42	1222.41	1231.87				
FT-SE Eurotrack 100 - 100	1240.54	1239.55	1242.42	1222.41	1231.87				
FT-SE Eurotrack 200 - 200	1336.98	1329.28	1342.29	1321.71	1322.21				
Mar 6	1240.54	1239.55	1242.42	1222.41	1231.87				
FT-SE Eurotrack 100 - 100	1240.54	1239.55	1242.42	1222.41	1231.87				
FT-SE Eurotrack 200 - 200	1336.98	1329.28	1342.29	1321.71	1322.21				
Mar 5	1240.54	1239.55	1242.42	1222.41	1231.87				
FT-SE Eurotrack 100 - 100	1240.54	1239.55	1242.42	1222.41	1231.87				
FT-SE Eurotrack 200 - 200	1336.98	1329.28	1342.29	1321.71	1322.21				
Mar 4	1240.54	1239.55	1242.42	1222.41	1231.87				
FT-SE Eurotrack 100 - 100	1240.54	1239.55	1242.42	1222.41	1231.87				
FT-SE Eurotrack 200 - 200	1336.98	1329.28	1342.29	1321.71	1322				

## LONDON STOCK EXCHANGE: Dealings

Details of business done shown below have been taken with consent from last Thursday's Stock Exchange Official List and should not be reproduced without permission.

Details relate to those securities not included in the FT Share Information Services.

Unless otherwise indicated prices are in pence. The prices are those at which the business was done in the 24 hours up to 5 pm on Thursday and settled through the Stock Exchange Taliens system, they are not in order of execution but in ascending order which denotes the day's highest and lowest dealings.

For those securities in which no business was recorded in Thursday's Official List the latest recorded business in the four previous days is given with the relevant date.

Rule 4.2(a) stocks are not regulated by the International Stock Exchange of the United Kingdom and the Republic of Ireland Ltd.

† Bargains done at special prices. ♦ Bargains done the previous day.

### British Funds, etc.

**type** **Std £/2000/03 - £121.13**

**Quoted Exports Fund** **Std £/2000/03 - £119.50**

**Gfd Ls Std 2002/Regd - £119.50** (13495)

### Corporation and County Stocks

Birmingham Corp 31/2% Std 1946 (after) - £26 (10249)

Birmingham District Council 1½% Red Std 1995 - £10.40

Brentford Cty of 11½% Red Std 2000 - £115.40

Dudley Metropolitan Borough Council 7% In Ls Std 2000 - £120.40

Leicester City Council 7% Ls Std 2000 - £90.40

London City Council 7% Ls Std 2000 - £90.40

London City Council 7% Ls Std 2000 - £90.40

London City Council 7% Ls Std 2000 - £90.40

London City Council 7% Ls Std 2000 - £90.40

London City Council 7% Ls Std 2000 - £90.40

London City Council 7% Ls Std 2000 - £90.40

London City Council 7% Ls Std 2000 - £90.40

London City Council 7% Ls Std 2000 - £90.40

London City Council 7% Ls Std 2000 - £90.40

London City Council 7% Ls Std 2000 - £90.40

London City Council 7% Ls Std 2000 - £90.40

London City Council 7% Ls Std 2000 - £90.40

London City Council 7% Ls Std 2000 - £90.40

London City Council 7% Ls Std 2000 - £90.40

London City Council 7% Ls Std 2000 - £90.40

London City Council 7% Ls Std 2000 - £90.40

London City Council 7% Ls Std 2000 - £90.40

London City Council 7% Ls Std 2000 - £90.40

London City Council 7% Ls Std 2000 - £90.40

London City Council 7% Ls Std 2000 - £90.40

London City Council 7% Ls Std 2000 - £90.40

London City Council 7% Ls Std 2000 - £90.40

London City Council 7% Ls Std 2000 - £90.40

London City Council 7% Ls Std 2000 - £90.40

London City Council 7% Ls Std 2000 - £90.40

London City Council 7% Ls Std 2000 - £90.40

London City Council 7% Ls Std 2000 - £90.40

London City Council 7% Ls Std 2000 - £90.40

London City Council 7% Ls Std 2000 - £90.40

London City Council 7% Ls Std 2000 - £90.40

London City Council 7% Ls Std 2000 - £90.40

London City Council 7% Ls Std 2000 - £90.40

London City Council 7% Ls Std 2000 - £90.40

London City Council 7% Ls Std 2000 - £90.40

London City Council 7% Ls Std 2000 - £90.40

London City Council 7% Ls Std 2000 - £90.40

London City Council 7% Ls Std 2000 - £90.40

London City Council 7% Ls Std 2000 - £90.40

London City Council 7% Ls Std 2000 - £90.40

London City Council 7% Ls Std 2000 - £90.40

London City Council 7% Ls Std 2000 - £90.40

London City Council 7% Ls Std 2000 - £90.40

London City Council 7% Ls Std 2000 - £90.40

London City Council 7% Ls Std 2000 - £90.40

London City Council 7% Ls Std 2000 - £90.40

London City Council 7% Ls Std 2000 - £90.40

London City Council 7% Ls Std 2000 - £90.40

London City Council 7% Ls Std 2000 - £90.40

London City Council 7% Ls Std 2000 - £90.40

London City Council 7% Ls Std 2000 - £90.40

London City Council 7% Ls Std 2000 - £90.40

London City Council 7% Ls Std 2000 - £90.40

London City Council 7% Ls Std 2000 - £90.40

London City Council 7% Ls Std 2000 - £90.40

London City Council 7% Ls Std 2000 - £90.40

London City Council 7% Ls Std 2000 - £90.40

London City Council 7% Ls Std 2000 - £90.40

London City Council 7% Ls Std 2000 - £90.40

London City Council 7% Ls Std 2000 - £90.40

London City Council 7% Ls Std 2000 - £90.40

London City Council 7% Ls Std 2000 - £90.40

London City Council 7% Ls Std 2000 - £90.40

London City Council 7% Ls Std 2000 - £90.40

London City Council 7% Ls Std 2000 - £90.40

London City Council 7% Ls Std 2000 - £90.40

London City Council 7% Ls Std 2000 - £90.40

London City Council 7% Ls Std 2000 - £90.40

London City Council 7% Ls Std 2000 - £90.40

London City Council 7% Ls Std 2000 - £90.40

London City Council 7% Ls Std 2000 - £90.40

London City Council 7% Ls Std 2000 - £90.40

London City Council 7% Ls Std 2000 - £90.40

London City Council 7% Ls Std 2000 - £90.40

London City Council 7% Ls Std 2000 - £90.40

London City Council 7% Ls Std 2000 - £90.40

London City Council 7% Ls Std 2000 - £90.40

London City Council 7% Ls Std 2000 - £90.40

London City Council 7% Ls Std 2000 - £90.40

London City Council 7% Ls Std 2000 - £90.40

London City Council 7% Ls Std 2000 - £90.40

London City Council 7% Ls Std 2000 - £90.40

London City Council 7% Ls Std 2000 - £90.40

London City Council 7% Ls Std 2000 - £90.40

London City Council 7% Ls Std 2000 - £90.40

London City Council 7% Ls Std 2000 - £90.40

London City Council 7% Ls Std 2000 - £90.40

London City Council 7% Ls Std 2000 - £90.40

London City Council 7% Ls Std 2000 - £90.40

London City Council 7% Ls Std 2000 - £90.40

London City Council 7% Ls Std 2000 - £90.40

London City Council 7% Ls Std 2000 - £90.40

London City Council 7% Ls Std 2000 - £90.40

London City Council 7% Ls Std 2000 - £90.40

London City Council 7% Ls Std 2000 - £90.40

London City Council 7% Ls Std 2000 - £90.40

London City Council 7% Ls Std 2000 - £90.40

London City Council 7% Ls Std 2000 - £90.40

London City Council 7% Ls Std 2000 - £90.40

London City Council 7% Ls Std 2000 - £90.40

London City Council 7% Ls Std 2000 - £90.40

London City Council 7% Ls Std 2000 - £90.40

London City Council 7% Ls Std 2000 - £90.40

London City Council 7% Ls Std 2000 - £90.40

London City Council 7% Ls Std 2000 - £90.40

London City Council 7% Ls Std 2000 - £90.40

London City Council 7% Ls Std 2000 - £90.40

London City Council 7% Ls Std 2000 - £90.40

London City Council 7% Ls Std 2000 - £90.40

London City Council 7% Ls Std 2000 - £90.40

London City Council 7% Ls Std 2000 - £90.40

London City Council 7% Ls Std 2000 - £90.40

London City Council 7% Ls Std 2000 - £90.40

London City Council 7% Ls Std 2000 - £90.40

London City Council 7% Ls Std 2000 - £90.40

London City Council 7% Ls Std 2000 - £90.40

London City Council 7% Ls Std 2000 - £90.40

London City Council 7% Ls Std 2000 - £90.40

London City Council 7% Ls Std 2000 - £90.40

London City Council 7% Ls Std 2000 - £90.40

London City Council 7% Ls Std 2000 - £90.40

London City Council 7% Ls Std 2000 - £90.40

London City Council 7% Ls Std 2000 - £90.40

London City Council 7% Ls Std 2000 - £90.40

London City Council





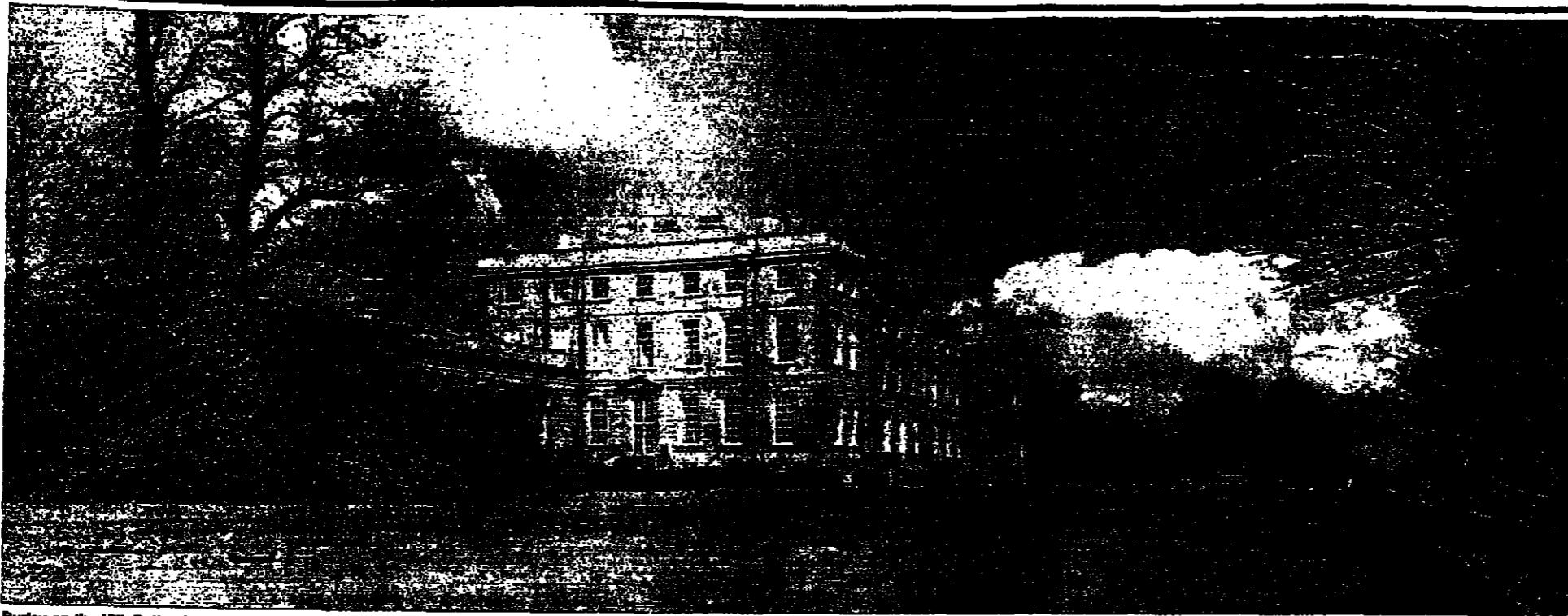




# Residential Property

SECTION III

A SPECIAL SUPPLEMENT



Burley on the Hill, Rutland: a great English country house which has found its knight in shining armour

## STATELY HOMES, MOSTLY LEASEHOLD

Where they are, what they cost

- Avon Castle, Ringwood, Hampshire: part of 18th century castle on the river Avon, with large drawing room and minstrel gallery; £155,000 (John D Wood, 01982-863 131).
- Barwick House, Yeovil, Somerset: two flats, one in the 1830 house, one in the estate manager's house; swimming pool; £165,000 and £75,000 (Palmer Snell, 01963-230 25).
- Calley Castle, Whittingham, Northumberland: the recently remodelled north wing (not part of Kit Martin's scheme); offers over £240,000 (Hamptons, 0171-493 8222, and John Sale, 01289-302 723).
- Charlton Park, Malmesbury, Wiltshire: double flat, in the 1807/1776 former home of the Earls of Suffolk and Berkshire; use of state rooms; £225,000 (John D Wood, 01285-642 244).
- Northwick Park, Moreton-in-Marsh, Gloucestershire: main apartment in mansion remodeled by Lord Burlington in 1732; £245,000 (Hamptons, 01386-852 205).
- Sheffield Park, Uckfield, East Sussex: two first/second floor flats in James Wyatt's Georgian gothic house; private garden for residents, and access to the landscape garden of Humphry Repton and Capability Brown (National Trust); £145,000 and £175,000 (John D Wood, 01342-326 326).
- Shillingstone Park, Chiddingfold, Surrey: first-floor flat in 18th century house; park now a golf course; £150,000 (Brown, 01483-311 66, or John D Wood, 01982-863 131) or to let.
- Virginia Park, Virginia Water, Surrey: Octagon Developments is converting a Victorian gothic pile and building Victorian-style houses; 213 units in all, first phase from £345,000 (Barton Wyatt, 01344-844 222).

## For sale: the stately homes of England

**B**urley on the Hill is one of England's grandest stately homes. The curved colonnades which enclose the great forecourt reproduce those of St Peter's in Rome. Built between 1694 and 1704 by the Earl of Nottingham, it is a little older than Blenheim Palace and Castle Howard and similarly imposing, dominating Rutland and the Rutland Water reservoir from its hill outside Oakham.

Until a knight in shining armour came to rescue this fair damsel of a house in 1992, it had a sad life in the 20th century.

After a fire in 1908, it was made good but was too expensive to run on heat — except as a wartime hospital. After the war the Hanbury family, the Earl's descendants, moved back for the summer but had to sell the contents.

Asil Nadir, the businessman, bought it, and proposed a golfing hotel with deeply unsympathetic

Gerald Cadogan looks at a restoration which is breathing new life into one of England's grandest homes

additions. When his Polly Peck International empire collapsed, doom looked nigh.

Burley's saviour is the architect Kit Martin. Since his mid-20s Martin's mission has been to resurrect the grand houses of Britain — not by turning them into flats, but into self-contained houses and cottages which respect the integrity of the architecture and the surroundings of the house and its outbuildings.

The result at Burley is a magnificent display of sympathetic imagination and attention to detail. New owners can enjoy the park and Burley's superb setting, and those in the main house will experience life in a stately home at first-hand.

Martin began in 1976 with Dingley Hall in Northamptonshire, an Elizabethan/Charles II near-ruin. Among other houses he has rescued are Gunton Park, in Norfolk, (where

Martin lives on the home farm), Cullen in Banffshire, Callaly in Northumberland and Tynningham in East Lothian.

All sorts of people, including (in Tynningham) Timothy Clifford, director of the National Gallery of Scotland, live in these, Martin says. He sees the diversity of houses and cottages as a "village".

In Martin's conversions the self-contained units go all the way from the basement to the roof and are arranged vertically according to the house's existing divisions. Martin will not split main rooms — each house at Burley has at least one of them. And with no flats, other people's families cannot make noise on the floor above.

The houses sell off-plan. If buyers want changes, as they often do of a minor sort, they are an extra and need Martin's approval. His own

experienced direct labour team does most of the building work and site manager Graham Prior has worked with Martin since Dingley. Excellent detailing results — restored plaster ceiling rosettes, solid brass fittings and honest, unpretentious designs for kitchen cupboards with oak worktops and, preferably, old-fashioned deep "Selby" sinks.

To revitalise Burley, he is making it into seven houses, or rather six, since one buyer has bought both the Great Stair and the Library to make one house.

This lucky buyer, a Greek, gets Burley's most extravagant feature, a baroque classical painting by Gerard Lansdowne that covers every wall and ceiling in the huge staircase. A red and green riot of columns, helmets, spears, robes, bosoms and putti, it feels more like Rome than Rutland.

The central double hall and vast upstairs ballroom are communal and can be used for parties or concerts. Three houses have front doors on to the hall. Each has four storeys with a facade of 16 windows (32 for the double one), making it a solid chunk of Burley.

In the main house the North Wing looking over the colonnades and outer wings is still for sale, for £225,000. Four cottages in the kitchen block facing the church are also on offer from £160,000 to £235,000. The East Wing (sold) is a complete stately home in itself, with horseshoe steps to the front door and its own five-acre garden.

The setting of Martin's houses is as important as the interior, and having plenty of space is one of the main treats of country house living. He refuses to cramp the garden with new houses, and has designed a few to be built on to existing structures. "They are not out of keeping with their surroundings". The two left are priced at £177,500 and £200,000, or £60,000 and £75,000 as building plots. The buyers of the five sold have opted for his designs with a few modifications.

As on the estates of central London, the houses carry restrictive covenants specifying the colour of paint for window frames and forbidding satellite dishes.

Neil Braithwaite, of solicitors Dickinson Dees, in Newcastle-upon-Tyne, found the legal division as complex as the architectural division, as there are 22 different freeholds. The trick was to try to anticipate every demand and every wish before setting up the management companies which run the garden and communal rooms.

Now Martin is moving on to Sto-

nleigh Abbey in Warwickshire, which is even bigger than Burley and has a beautiful park. It will be a mixed scheme. The main part will go into a charitable trust, qualifying it for English Heritage and EU grants. But there is space enough for houses in the extensive abbey buildings.

Another scheme in Wiltshire is Nigel Thoresby's restoration of Wardour Castle, the exquisite house James Paine built for the Arundell de Wardour family which, until a few years ago, housed Cranborne Chase girls' school.

He is removing ugly accretions and replanting the park and garden, and follows Martin in not chopping up the rooms. But rather than making houses to sell, he is offering flats to let at rents from £1,250 to £2,300 a month.

*Burley on the Hill: Henry Llewellyn (01572-787453) or Savills (01790-663 22); Wardour Castle: John D Wood (01256-598004).*

## SAVILLS



THURLOE SQUARE, SW7

(approx. 446 sq m, 4,800 sq ft)

An elegant Victorian family house situated on the south east side of the square with well laid out accommodation and views over gardens to the front and rear of the property.

Drawing room, sitting room, dining room, study, kitchen/breakfast room, playroom, 3 bedrooms, master bedroom suite, guest bedroom suite, 2 further double bedrooms, 2 bathrooms, laundry room, staff accommodation, roof terrace, walled garden, patio. Use of square gardens.

£1,950,000 Leasehold  
Savills Knightsbridge  
0171-730 6222 Fax: 0171-730 6242

### PRIME PROPERTY EXHIBITION A UNIQUE OPPORTUNITY TO SELL YOUR PROPERTY

THE DORCHESTER HOTEL,  
LONDON

11th &amp; 12th April 1995

Demand for Prime UK properties remains strong, from both UK and overseas buyers. Savills & The Daily Telegraph will be holding an exhibition together with a series of seminars in both London and The Gulf to showcase prime properties. Both exhibitions will be promoted extensively in the UK & Overseas.

The Gulf exhibition will be the first opportunity for owners of prime property to reach both Arab Nationals and English Ex-Patriates.

For further details of how your property could be included please call your nearest Savills office.

PROPERTY PRICE GUIDE	
London Houses	from £350,000
London Apartments	from £150,000
Farms & Estates	from £750,000
Country Houses	from £150,000
Investments	from £500,000
Developments	from £75,000
Rentals (per week)	from £250

FOR A COPY OF THE SAVILLS MAGAZINE EXHIBITION CATALOGUE PLEASE CALL:  
0171 824 9031 (available from 13th April)

THE INTERCONTINENTAL HOTEL,  
DUBAI

26th &amp; 27th April 1995

THE INTERCONTINENTAL HOTEL,  
ABU DHABI

29th April 1995



30a-30b HYDE PARK GATE LONDON SW7

Commissioned in the late 1970s under the supervision of the architect Igael Yanniz, this contemporary property arranged primarily over two upper floors, has a private lift and a separate self-contained apartment and offers some 799 sq.ft. (8,077 sq.ft.) of accommodation in total.

Entrance hall, reception room, dining room, kitchen, cloakroom, master bedroom suite with dressing area, bathroom and study.

4 further bedrooms each with en suite bathrooms, swimming pool.

Self contained apartment comprising study, sitting room, 2 bedrooms, 2 bathrooms, kitchen.

SHARE OF FREEHOLD • PRICE ON APPLICATION • JOINT SOLE AGENTS  
Savills Knightsbridge 0171-730 6222 Fax: 0171-730 6242  
Aylesford 0171 351 2382



ALBANY, PICCADILLY W1

3 sets of Chambers in historic building, available to rent.

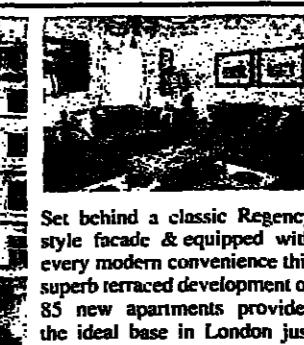
One bedroom, two bathrooms, three reception rooms, kitchen.  
Unfurnished — £1,200.00 per week.

Two bedrooms, one bathroom, one reception room, kitchen.  
Furnished — £2,600.00 per week.

Two bedrooms, two bathrooms, one reception room, separate dining hall, kitchen.

Furnished/Furnished — £1,100.00 per week.

24 Hour Porterage  
Savills Knightsbridge  
0171-730 6222 Fax: 0171-730 6242



Set behind a classic Regency style facade & equipped with every modern convenience this superb terraced development of 85 new apartments provides the ideal base in London just half a mile from Victoria Station.

14/26 GLOUCESTER STREET,  
LONDON SW1

• From £157,500 (including secure parking priced at £20,000)

• High Security

• Resident Porter

Savills Knightsbridge  
0171-730 6222 Fax: 0171-730 6244  
Sales Office: 0171 630 6012

View from apartment at Plantation Wharf,  
Battersea Riverside, London SW11  
Off York Road, SW11  
0171 585 0041  
0181 982 4814

ROOMS WITH A VIEW  
Plantation Wharf, on Battersea Riverside, offers an exceptional selection of new apartments many with spectacular river views. Prices from £95,000 to £289,000. Show apartments open daily 10am - 6pm Weekdays, 10am - 5pm Weekends. Last remaining units — £95,000-£190,000.

Sales Office 0181-730 6201 Savills, Battersea 0181-730 6257 Savills Knightsbridge 0171-730 6222

INTERNATIONAL PROPERTY CONSULTANTS OFFICES AND ASSOCIATIONS IN THE UNITED KINGDOM, EUROPE, USA, NIGERIA, EAST AND SOUTH EAST ASIA  
LONDON Docklands : 0171 488 9586 Hampstead : 0171 431 4844 Kensington : 0171 221 1751 Knightsbridge : 0171 730 0822 COUNTRY Bath : 01255 263535 Brechin : 01356 622187  
Cambridge : 01223 322955 Chelmsford : 01245 269311 Edinburgh : 0131 236 6961 Guildford : 01483 576551 Henley : 01491 579990 Ipswich : 01473 226191 Lincoln : 01522 534691 Norwich : 01603 612211 Nottingham : 0115 955 1122  
Perthshire : 01796 482882 Salisbury : 01722 320422 Sevenoaks : 01732 455551 Stamford : 01780 662222 Strethton : 01902 851347 Wimborne : 01202 887331 York : 01904 620731  
ACRITICAL ESTATES West End : 0171 499 8644 OVERSEAS EUROPE European Desk : 0171 499 8644 MIDDLE EAST Middle East Desk : 0171 824 8448 HONG KONG First Pacific Davies : 010 852 525 4418  
MALAYSIA Rahim & Co : 010 603 291 9922 SINGAPORE HRL International : 010 65 733 3212

## COUNTRY RENTALS

# Green and pleasant land

The concept of renting a house in the country is making a comeback, says Gerald Cadogan

**A**lthough property sales remain slack, the residential rentals sector is flourishing, and the countryside is no exception.

The introduction in the Housing Act 1988 of assured shorthold tenancies, which means landlords can let property safe in the knowledge it has freed plenty of cottages and houses that would otherwise have remained empty. Landlords usually let for a minimum of six months.

Being a tenant rather than an owner seems to be more acceptable in the countryside now than it has for half a century. And in the present static market, many view renting as the best way to find somewhere to live, perhaps permanently.

For those still planning their future, renting on a temporary basis is a wise use of their money while they ponder their options, and in the countryside it provides an ideal chance to see whether they actually like rural life. If they then come upon something they want to buy, they are not locked into a chain. Nor will the rental market produce sudden price rises which catch occupants nesting in the wrong house at the wrong time.

Renting has always made sense in town, and was common in the countryside until a property-owning democracy became the post-war national goal. Generous mortgage interest relief and the abolition of Schedule A tax on imputed income from your house boosted the push to ownership. Meanwhile, the laws governing the rental sector seemed tilted in favour of the tenant, deterring potential landlords from letting. Exceptions were furnished or company lets, which offered repossession rights. The rental market subsequently dried up.

The 1988 act changed all that. Those seeking to let their homes on a short-term basis, for example while they work abroad temporarily, know they will be able to regain possession when they return. Owners with property to spare, such as

**Tenants now include those who have abandoned for good the idea of ownership**

erty with the traditional weekenders and people who are between mortgages; these include those moving to a job in a new place who have yet to settle in.

The new situation has proved a boon for landed families, who can let lodges and cottages formerly occupied by staff, which would have stood empty now they have fewer employees. Following renovation the properties provide a "useful source of extra income" without damaging the unity and setting of the estate, says Archie Read of Knight, Frank & Rutley.

In Oxfordshire, Clegg Kennedy Drew has recently let a pair of refurbished semi-detached estate cottages for about £750 a month each, and is about to offer two lodges at Charlton Park near Malmesbury in Wiltshire for £400 apiece. Each has one bedroom



CLOSE CALL: at £395 a month via Bidwells, the rent of this house near Cambridge reflects its proximity to the town

but they could be ideal for a single person or childless couple.

Yields in the countryside are generally lower than in, for example, London. An annual 5 per cent gross return on the capital value of the property is reasonable and 10 per cent exceptional.

Rents vary widely, reflecting local markets. In Hampshire they are high, but properties are snapped up quickly. The county has a queue of frustrated buyers from all walks of life - daily commuters to London, the M4 corridor, Portsmouth or Southampton; army and navy personnel from the county's towns and ports; weekenders, polo players at the Sussex clubs; and retirees.

One Hampshire house lets for £5,000 a month and is used only at weekends.

A cottage in Herefordshire which rents for £300 a month would cost, nearer £500 if located near the M4, Read says, and Knight Frank & Rutley at present rents an eight-bedroom property in Norfolk at the same price as a three-bedroom cottage in Berkshire. In Hertfordshire Bidwells is offering an attractive brick farmhouse at Oving near Aylesbury - also convenient for travel to London - for three to five years for a negotiable £18,000 a year.

Farmhouses are more diffi-

cult to let than cottages and village houses, according to Andrew Ferrier of Jackson-Stops in Midhurst. This is relatively cheap for the area and may reflect the fact that travel to London is not easy; properties can fetch up to £2,500 or more in Surrey and Sussex if they are close to the railway.

In Buckinghamshire Bidwells is offering an attractive brick farmhouse at Oving near Aylesbury - also convenient for travel to London - for three to five years for a negotiable £18,000 a year.

Farmhouses are more difficult to let than cottages and village houses, according to George Philip of estate agent Lane Fox. He has just let two six-bedroom farmhouses in the north Cotswolds. One, in tip-top condition and belonging to an owner who refurbished it when found he was not really using it, went for £1,500 a month. The other has not been refurbished and rented for just under £1,000.

To achieve a good rent, make

sure the property is in as good a condition as you can afford and that it is dry - there is nothing like damp for slicing pounds off the rent.

You may have to spend on carpets and kitchen and bathroom fittings, but many tenants prefer to bring their own furniture. This frees them from the expense of storing and the landlord from the responsibility of meeting tough new fire regulations on upholstery in rented property.

If you are looking to rent a home, you can reduce the premium you'll pay for being near a local centre, such as Cambridge, by searching beyond



Back to the land: it can be harder to find tenants for farmhouses; this one in Bucks is on Bidwells' books



CHEAP BUT CHEERFUL: John D Wood can let you have this two-bedroom cottage near Newbury for £400 a month

the obvious commuting zone. If the rent still seems high, work out what a mortgage would cost if you were buying the property and deduct the 15 per cent tax saving (as of April) on the interest on the first £30,000 of the loan. You will probably find renting is cheaper. And if the value of the house falls, it is not your loss.

An intriguing rental from Hamptons is a small manor house at Nettlebed in Hertfordshire for £2,750 a month, with optional use of a Rolls Royce and the wine cellar - pay by mile and bottle. And John D Wood offers an Irish castle, Rathdrone near Navan in County Meath, with 24 acres and stabling for 40 horses, for £4,500 a month.

So it seems that for a relatively modest outlay, a tenant's home may literally be his castle.

■ **Bidwells, Cambridge (01223 812641); Clegg Kennedy Drew, Chichester (01283 821055); Hamptons, London (0171 493 8222); John D Wood, Basingstoke (01256 833004).**

## Humbersts



**East Sussex**  
Folkestone, Kent (01303)  
A very attractive country house of period origin set in delightful gardens and grounds on the edge of the Ashdown Forest.

\* 2 reception rooms, kitchen/breakfast room, domestic offices, 5 bedrooms, 2 bathrooms \* Fix with bedroom, sitting room and bathroom \* Kitchen and breakfast room \* Swimming pool (measuring reservations), pool house/bar \* Outstanding woodland, gardens and grounds  
In all about 6.9 acres  
\* terrace of 3 cottages available in addition  
Details: Lewes office (01273) 478222



**West Sussex**  
Reigate, Surrey (01737)  
A delightful small country estate with period mill house in an outstanding rural setting.  
\* 3 reception rooms, fabulous kitchen, 5 bedrooms, 3 bathrooms  
\* Old dairy conversion with 3 reception rooms, 3 bedrooms, 3 bathrooms  
\* Extensive range of modern agricultural buildings  
\* Delightful gardens and grounds with pond and stream, paddocks and plantations  
In all about 9.0 acres  
Details: Lewes office (01273) 478222



**Devon**  
North Devon 1½ miles, Chudleigh 7 miles, Totnes 24 miles  
A private country estate centred around a Victorian mansion house and comprising in total some 456 acres  
\* Victorian mansion house with 6 principal bedrooms and further staff accommodation \* Large stable complex \* Range of modern and traditional farm buildings \* 204 acres of pasture and stable land, 157 acres of mixed woodland  
For sale by private treaty as a whole  
Details: David Hinchliffe  
Bideford office (01232) 331254



**Somerset/Devon Border**  
Wells and M5 6 miles, Weston 1½ miles, M5 motorway 7 miles  
A spacious, well-modernised, period house in a quiet country location.  
\* 3/4 reception rooms, 5 bedrooms, 2 bathrooms, cloakroom, garage and parking space, oil central heating \* Gargrave \* Garden  
£275,000 Freehold with about 3 acres  
Details: Tiverton office (0383) 208464



**Quantock Hills, Somerset**  
A restored traditional Somerset farmhouse set in the small hamlet of Broomfield, 5 miles from Ilminster, with stable block and about 0.5 acres and the option of up to a further 3.8 acres  
\* Entrance hall \* Cloakroom \* Drawing room \* Dining room \* Study room \* Kitchen/breakfast room \* Utility room \* Workroom \* Bedroom with en suite bathroom \* Bedroom with en suite shower room \* 2 further bedrooms \* Bathrooms \* Garage and parking space \* Stable block comprising 3 stables, garage and tack room \* Paddock \* Garden  
Guide price: £315,000  
Details: Taunton office (01823) 238454



**North Dorset**  
Sherborne 3 miles, Shepton Mallet 7 miles, Gillingham 7 miles, (London Waterloo 2 hours), A303 (linking with the A30) 2 miles  
A mature detached house situated in a hamlet surrounded by agricultural land.  
\* 5 bedrooms, 2 reception rooms, 2 bathrooms, cloakroom, garage and parking space, oil central heating \* Gargrave \* Garden  
£220,000 freehold with about 2 acres  
Details: Sherborne office (01477) 833482

## COUNTRY PROPERTY

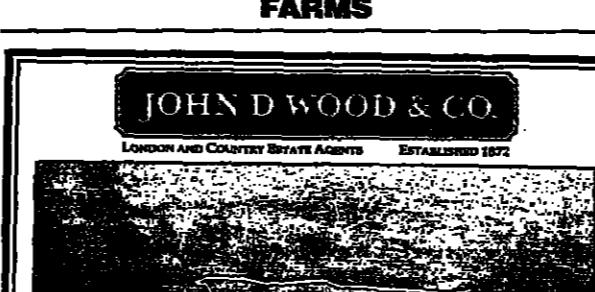
### Jackson-Stops & Staff



**Warwickshire**  
483 acres  
A productive farm adjacent to the Royal Show ground with large 6 bedded period farmhouse.  
Lot 1: Park Farmhouse 16 acres. Extensive traditional outbuildings, gardens, tennis court and pasture land.  
Lot 2: Park Farm 246 acres. Grain and potato storage. Modern and traditional buildings. Mainly Grade II land with irrigation.  
Lot 3: Arable land 90 acres.  
Lot 4: Arable land 76 acres.  
Lot 5: River meadow 127 acres.  
Lot 6: 2 period cottages (agriculturally occupied).  
For sale as a whole or in 6 Lots.  
Apply: 20 Bridge Street, Northampton NN1 3RR. Tel: (01604) 32991.

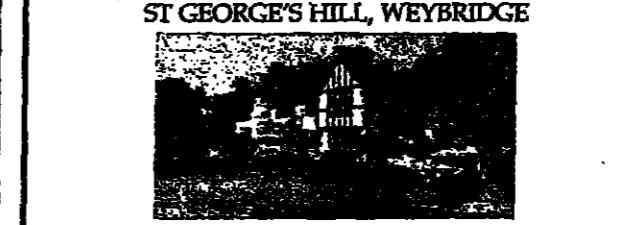


**Fort Perch Rock, New Brighton**  
M53 Motorway 3 miles. Liverpool about 5 miles via the Wallasey Tunnel.  
An historic fort, Listed Grade II, at the mouth of the River Mersey.  
Extensive accommodation and display areas ideal for a number of commercial and leisure uses subject to planning consent. Ref: 2228.  
Apply: 25 Nicholas Street, Chester CH1 2NZ. Tel: (01244) 328361.



**FARMS**  
**JOHN D WOOD & CO.**  
LONDON AND COUNTRY ESTATE AGENTS ESTABLISHED 1872  
KENT - Bedzell Park Farm, Matfield  
A21 3 miles A303 Tenterden 4 Miles Central London 38 miles  
An attractive Residential Farm being a well-known and innovative tourist attraction with 60,000 visitors per annum incorporating Farm Animal Park, Farm Shop, Cafe, Pick-Your-Own and Nature Trail.  
Listed 18th century farmhouse, east house, cottage, traditional buildings, orchards, pasture and woodland.  
County Dept. About 176 acres Agricultural Dept. Oxford 01865 311522

### Gascoigne-Pees



**ST GEORGE'S HILL, WEYBRIDGE**  
A 1930's built character family home situated in well secluded landscaped grounds of 1.6 acres within this exclusive residential private estate.  
Entrance lobby, cloakroom, reception hall, drawing room, large study, family room, dining room, kitchen, breakfast room, shower room, five bedrooms two en suite bathrooms, family bathroom, swimming pool, tennis court, double garage, many original features.  
£275,000 FREEHOLD

Contact: Andrew Grant  
Tel: (01932) 677777 Fax: (01932) 830559  
Black Horse Agencies Gascoigne-Pees, 41 High Street, Weybridge, Surrey

INTERNATIONAL PROPERTY



**LIVE ON A PRIVATE ISLAND IN SOTGRANDE.**  
SIBERA DEL CANDIL  
RUBERA DEL ARLEQUIN  
ISLA DEL VOLADOR  
ISLA DEL LORO  
15 minutes from Gibraltar and 30 minutes from Marbella. Marina Sotogrande is a new development of two and three bedroom apartments each with a private garden or terrace and optional berths. Sotogrande has shops, restaurants, a beach club, tennis, riding, sailing and the famous golf clubs.  
Two bedroom apartments start at £97,000 (subject to exchange rates). For more information call the developers direct on 0171 351 2385.  
SOTGRANDE  
VALDERRAMA IN SOTOGRANDE HOME OF THE RYDER CUP 1997

**BAHAMIAN ISLAND**  
Investment - Residential - Private or Development  
There are over 800 islands in the Bahamas, most of them uninhabited. There are very few over 50 acres which are prime for development. This one is. It is for sale, including 2 houses, seacope inner harbour and its own boat. It is a rare opportunity for an international base or for property development.

Offers around £5,000,000  
Contact Florida Files Ltd  
Tel/Fax: +44 422 885825

**LONDON OFFICE • 0171-629 0909**

Humbersts Chartered Surveyors • 25 Grosvenor Street • London W1X 9UE • Tel: 0171-493 4346

RENTALS • LANDSCAPE ARCHITECTURE • COMMERCIAL • AGRICULTURAL

CHARTERED SURVEYORS  
HUMBERTS LTD

# Rural agents feel the earth move

A weak pound and EU subsidies have generated an upsurge in demand for quality farmland. Sally Smith takes stock

**T**here is a formidable range of buildings, modern, well-maintained, and set within a large, concrete yard. The land is good quality, and the fields, which are sizeable and well served with hard roads, surround the farmstead in a single block. The house, though spacious and comfortable, is no mansion.

In the trade they call it a farmer's farm, and for the past 18 months its value has been soaring.

Commercial farms - the term is used to differentiate solid working holdings from the "amenity farms" with pretty houses so popular with urban buyers in the 1980s - form one of the brightest stars in the property firmament.

Average prices never give a complete picture, especially in the farm property sector, where every sale is unique and dependent on a range of factors. Nonetheless recent figures from Savills are telling. According to the company's agricultural researcher, Jim Ward, since mid to late 1993 farms have gone up in price by 29 per cent, "to levels not seen since the heady days of the late 1980s property boom".

The value of arable land has increased the most, says Ward, with rises of between 33 and 40 per cent. The price of dairy farms has increased by 26 per cent and even the poorer grazing land has gone up by between 21 and 23 per cent.

These increases are largely attributable to demand from working farmers. Uncertainty about the EU's Common Agricultural Policy, the prospect of compulsory set-aside and the introduction of livestock quotas deterred farmers from buying property during the early 1990s. Prices fell and sales remained in the doldrums.

The upturn came in autumn 1993. Tim Atkinson of Brown and Co in Boston, in the heart of the prime arable land of Lincolnshire, describes one sale that October. The agents priced a 200-acre arable holding in mid Lincolnshire at £1,250 an acre. It rapidly brought in 10 offers andulti-



Growth area: Cluttons fetched considerably more for Thorne Estate, which has 1,164 acres of commercial arable land, than its guide price of £2m; farmers are prepared to pay phenomenal sums for working farms at a time when incomes are high

mately sold for £1,600 an acre.

"Since then we haven't looked back," says Atkinson.

"Land which was difficult to sell for £900 an acre in 1992 has risen to £1,750 an acre, and routinely we are seeing sales of anything between £1,600 and £2,000 an acre."

There are now so many prospective buyers that he is quoting a "realistic" price of £3,600 an acre for 164 acres of grade 1 soil near Boston. Among the finest land in the country, of high enough quality for growing vegetables as well as cereals and sugar beet, it is also eligible for arable aid - EU payments to compensate farmers for the reducing the amount of crops grown.

Ironically, EU aid to UK farmers was boosted by what was, to most people, Black Wednesday - September 16 1992; some farmers privately call it Golden. Britain's exit from the exchange rate mechanism and the subsequent devaluation of sterling gave farmers' incomes a huge lift.

A weak sterling made their support prices - a form of EU aid - which are calculated in ecus, much higher than those enjoyed by their European

counterparts in countries with stronger currencies. This year each English farmer, for example, will be paid almost £103 for every acre of cereals grown.

In addition, an expected fall in commodity prices, taking the price of feed wheat as low as £80 a tonne did not occur.

Julian Fuller, grain specialist at Bidwells in Cambridge, says that prices for the last harvest topped £110 a tonne and averaged £104 on the back of strong export trade encouraged by weak sterling.

Some farmers thus have substantial sums to spend. As ever, they are spending it on land buying extra acres to add to existing holdings, or larger farms wherever possible. This makes up for land lost to set-aside and helps reduce costs by spreading them across a larger acreage.

The dairy farm sector is also buoyant. Dairying incomes have been sustained since the introduction of quotas in the early 1980s, leading to demand for farms outstripping supply.

Dairy farmers are vying for pasture with beef and sheep farmers, who built up stock numbers in anticipation of live-stock quotas and need more

acres to put them on.

Peter Willcock, of Halls, in the Welsh border country, says additional grazing pasture was in such short supply last year that farmers were paying as much as £120 an acre for nine to 10 month rental. "At that kind of money it makes sense to buy," says Willcock.

Not only have farmers been the main buyers of working farms, they have been paying phenomenal sums for them. Cluttons got considerably more than its £2m guide price for the Thorne Estate in South Yorkshire, composed of 1,164 acres of commercial arable land; Halls got £1.4m at auction for Broome Farm in Shropshire, a 150-acre dairy unit; in Hereford and Worcester, Russell Baldwin and Bright got £1.04m for a 418-acre mixed farm in the Teme Valley.

One of the most extraordinary sales was of Topcliffe Farm near Thirsk. Bidding opened at £650,000 for the 286-acre arable/buff unit. In just 10 minutes, with locals competing against Scots and Irish, Robin Jessop of the Northallerton Estate Agency had knocked it down to £290,000.

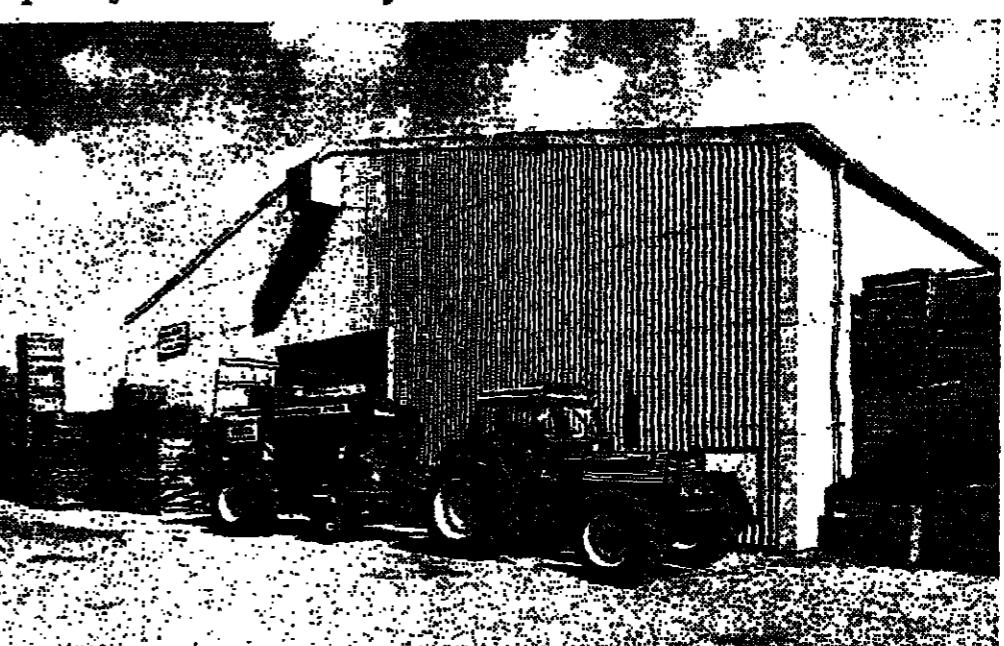
How long can this continue?

Throughout this year at least they increase in prices. The general view is that agents all over the country are advertising for farms to sell, but as the spring selling season approaches there are few signs they will get them. Farmers are not selling in such a strong market reflects their

confidence that profits will remain high.

Clegg Kennedy Drew acted for a number of farmer-purchasers in 1993, and says many have yet to find suitable properties. According to the company's Jamie Burges-Lumsden:

"Within the farming community confidence is high, certainly enough to indicate a fur-



Growth area: Cluttons fetched considerably more for Thorne Estate, which has 1,164 acres of commercial arable land, than its guide price of £2m; farmers are prepared to pay phenomenal sums for working farms at a time when incomes are high

On the ground there is a feeling, even among some of the farmers, that the system is too generous

ture's homes or a hotel. They want land," he says.

However, Martyn Crawley of Reeves and Neylan, the accountants, sounds a note of caution. He has farming clients in an area from the Wash to the Avon, and asks whether or not an element of fashion has crept in, with farmers gripped by the fever that caught out so many residential buyers in the late 1980s.

"Over and over I am told this or that piece of land is not going to come up again in a lifetime and the chance is too good to miss - but that is no reason to buy unless the purchase is for sound financial reasons. In many cases it isn't," he says.

He adds that it is often better to enter into some form of share farming arrangement to farm a larger acreage than to spend capital on purchase, especially if a high level of borrowing is involved.

"Levels of profitability in 1993 and 1994 were undoubtedly good, but I am not convinced that over the next five years the same kind of returns will be achievable," he says.

"The greater workings of the General Agreement on Tariffs

and Trade and the Common Agricultural Policy indicate that these farming incomes are sustainable," says Burges-Lumsden. "On the ground however, there is a feeling even among some farmers that the system is too generous."

Two sales are about to test demand: Grange Farm near Shrewsbury and Herne Manor Farms at Toddington in Bedfordshire.

Halls of Shrewsbury will auction Grange Farm on April 26, with a guide price of £1.1m to £1.5m. The 368 acres are set up for a 200 cow dairy herd, but almost all the land is eligible for arable aid. Buildings include a parlour where 40 cows can be milked at one time and a modern system to dispose of dairy waste. The sale includes 1.2km litres of milk quota and a six-bedroom farmhouse.

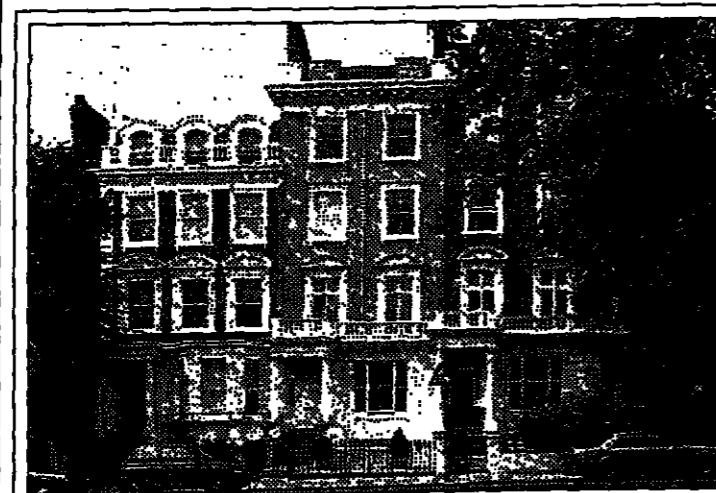
Bidwells has a £3.13m price tag on Herne Manor Farms' 1,954 acres, of which 1,706 acres are arable, the rest pasture, woodland and game cover.

The farms are also divided into lots; the largest, at 1,461 acres, with grain handling plant, two houses and three cottages, is priced at £2.4m.

## Knight Frank & Rutley INTERNATIONAL

AUSTRALIA • BELGIUM • BOTSWANA • CHINA • FRANCE •  
GERMANY • HONG KONG • INDONESIA • ITALY • JAPAN •

MALAYSIA • NEW ZEALAND • NIGERIA • SINGAPORE • SPAIN •  
SWEDEN • TANZANIA • UNITED STATES OF AMERICA • ZIMBABWE



### London, W8

Phillimore Gardens

A well presented family house with views over Holland Park and a pretty 90ft west facing garden with access to Holland Walk

6 bedrooms, 4 bathrooms (2 en suite), 2 reception rooms, kitchen/breakfast room, cloakroom, staff accommodation, utility room. Approx 90ft west facing garden. Ensuite, independent gas central heating.

68 year lease approx

£1,750,000

Apply: Kensington 0171-938 4311

(JB/119087)

### Wimbledon, SW19

An historic Grade II\* listed property of unique character dating from about 1500 with attractive grounds and gardens situated in a prominent but extremely secluded position

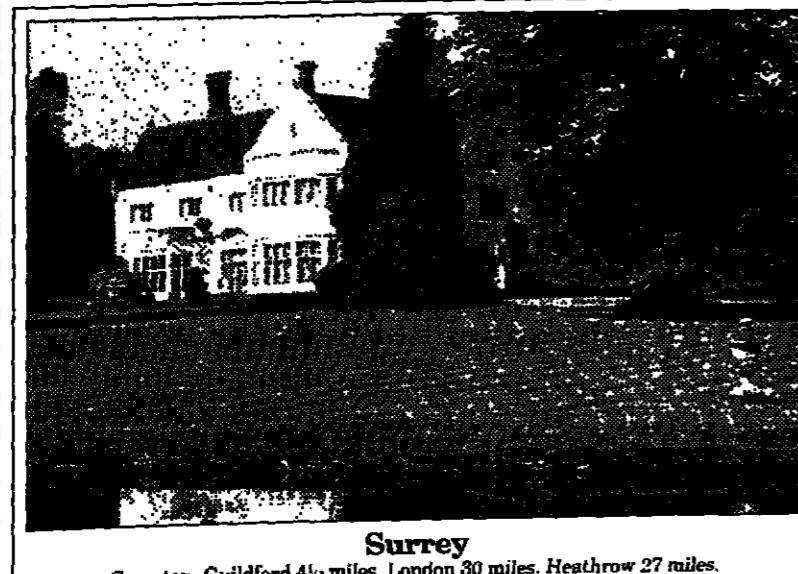
Panelled reception hall, 4 reception rooms, library, conservatory, billiard room, night club, kitchen/breakfast room, master bedroom suite, dressing room and study, 4 further bedrooms, 3 bathrooms (2 en suite). Staff accommodation, swimming pool, tennis court. Garaging for 4/5 cars. Lodge garage. Extensive gardens with lawns, wooded areas and rare Fig Walk.

Freehold

About 3/4 acres  
(0.99 hectares)

Apply: Sloane Street 0171-824 8171

(NHT/AD/A/118779)



### Surrey

Compton, Guildford 4½ miles. London 30 miles. Heathrow 27 miles.  
(Distances approximate)

A conveniently situated small residential estate with an impressive manor house

3 principal reception rooms, 5 bedroom suites with bathrooms, 2 further bedrooms, staff flat. Stable yard and garaging. Formal lakeside gardens. Entrance lodge.

Farm cottage. Home farm with traditional and modern farm buildings. Parkland, pasture and amenity woodland.

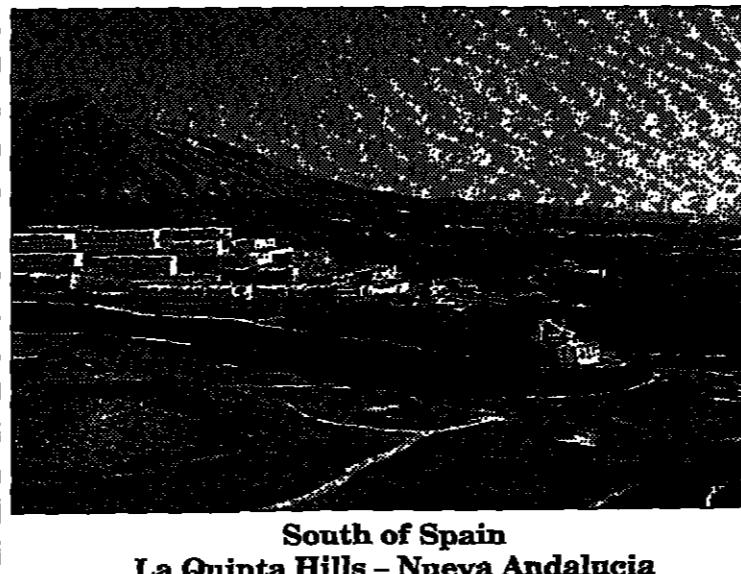
About 185 acres  
(74.87 hectares)

(As a whole or in 3 lots)

(A further 56 acres of adjacent land might be available separately)

Apply: Guildford (01483) 65171 or London 0171-629 6171

(RAME/RNB 121401)



### South of Spain

La Quinta Hills - Nueva Andalucia

Puerto Banús about 5 kms. Marbella about 10 kms.  
Luxury town houses and apartments ready for occupation with golf, mountain and sea views

27 hole golf course and Golf Academy.

Family golf membership included.

Prices average: 2 bedroom £90,000,

3 bedroom £105,000, 4 bedroom £200,000

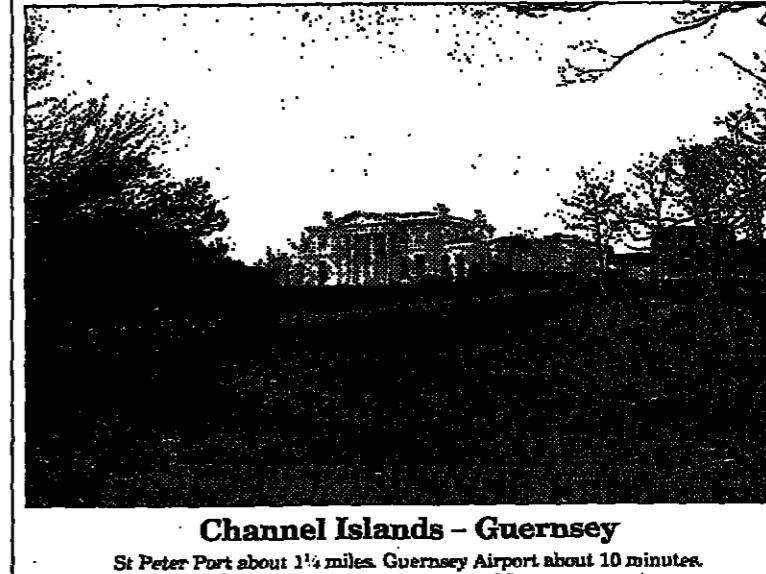
Please call B D Wood in association with Knight Frank & Rutley on (010 345) 288 3710 or

Patrick Dring of Knight Frank & Rutley on 0171-629 6171

A development backed by BBV Inmobiliaria

from Bilbao-Vizcaya Investment Group

(PD/SW/118493)



### Channel Islands - Guernsey

St Peter Port about 1½ miles. Guernsey Airport about 10 minutes.

Fast access to Heathrow and Europe

A classical Regency house with lovely landscaped gardens surrounded by parkland

Hall, 6/7 reception rooms, kitchen/breakfast room, extensive cellars, principal suite of bedroom, 2 dressing rooms and 2 bathrooms, guest bedroom suite with sitting room, 4 further bedroom suites.

Cottage, traditional farm buildings with derelict farm house and tenanted cottage.

Lovely landscaped gardens with water garden, walled garden, tennis court.

Mature woodland, valley parkland with stream. Paddocks.

About 55 acres  
(22.29 hectares)

Joint Agents: Shields & Co Ltd (01481) 714445

Knight Frank & Rutley, London 0171-629 6171

(RS/121847)

London Tel: 0171-629 8171 Fax: 0171-493 4114  
20 Hanover Square, London W1R 0AH.

## WATER

# Your own supply may be worth bottling

Gerald Cadogan discusses the pros and cons of having private water and what to look for when buying such a house

If a house for sale has its own water supply, ask for a glass when you visit. One taste may seal your decision to make an offer or to look only at houses on the mains.

Having your own water is usually an advantage - for one thing it means goodbye to ever-rising bills for water rates. Your water may also taste better, having no added chlorine or fluoride, and you will have the pleasure of consuming a home product, knowing where it comes from. If you start bottling your water you may even make some money.

The greatest advantage could be having a supply that may never dry up. It is hard to think of this as an issue these days, but there have been a number of droughts in recent years. "We always had super water while the reservoirs up on Dartmoor were dry," says David Pollard of Chillaton Farm in the South Hams region of south Devon - which is far from through Fulford for £175,000.

Like many private supplies in Devon, Chillaton's water runs off the moor into underground courses which have pockets of water that refill constantly. "The nearby bottling plant of Devon Dew takes its water from a similar supply," says Pollard. He adds he has enough at Chillaton to fill the swimming pool as well.

There are disadvantages to having your own supply. The water company will not come and fix things in a crisis, and you must organise maintenance yourself. If a power cut stops the pump you will have only what is in the header tank until the electricity comes on again. And if the supply does not have a pump in place, installation costs may be considerable.

Even so, they are often less than those incurred in linking up to a distant mains supply. Anthony Robathan, of the agricultural department at Truro estate agent Miller, describes a recent case.

The owners of one property had a choice between mains water or a private supply. Connecting to the mains needed about half a mile of pipe, for

which the bill would have been a staggering £11,000. The reason was not the expense of actually laying the pipe as its having to pass through 12 properties, necessitating 12 wayleaves and sets of legal costs.

Setting up the private supply cost about £3,500, for drilling a borehole and installing an electric immersible pump and ultra-violet filter, which cleans the water but does not affect the taste. And servicing is likely to cost far less than water rates - which, for a customer of Anglian Water, have trebled in the past 10 years from £82.79 in 1984-85 to £208.26 in 1994-95.

Private sewerage offers similar savings. If you have a septic tank, a sludge gulper may be needed once a year. But that costs a fraction (my last bill was £55) of water companies' sewerage charges.

However, savings are useless if your water is contaminated. Under the Water Industry Act 1991 and the Private Water Supplies Regulations 1991, which follow European Union directives, local authorities must test the quality of water supplies in their area and keep a register of all private supplies, together with the test results. This register is available to the public.

The district council may charge for the tests. But according to South Northants Council environmental health officer, John Sharkey, that council will test private supplies for personal use free once every five years. If neighbours also get their water from the source, the council still tests every five years but charges £34. If the supply serves 25-100 people, annual testing is required, and for 101-500 people it must be done every six months.

Dairy farms and premises preparing or supplying food and drink, including water, are also tested frequently. I had one dairy farmer this morning complaining about having to pay £34," says Sharkey.

Mineral deposits are another hazard. In parts of Cornwall header tanks must be cleaned regularly to stop encrustation.

There should be few other charges or problems. No licence is needed from the National Rivers Authority for abstracting up to 20 cu m a day



Lovelady Shield hotel in Alston, Cumbria: a bottling plant is for sale with this 12-bedroom hotel, which is priced at £550,000

nitrates and slurry on the ground now." These can work through to the water supply. "I tell them that if they have people who get ill from bugs in their water, they could be sued to high heaven."

Coliform bacteria from animal or bird droppings or sewage is the chief pollutant and concentrates in pools and shallow wells. But a deep borehole, through plenty of rock and soil, should be safe. Boreholes and wells should not be sited near the septic tank.

Bottling can be a useful diversification. At Blenheim Palace in Oxfordshire, where the land agent, Richard Everett, of Smiths Gore, calls it

for one household. That equals 20,000 litres (4,400 gallons) or, as the NRA says, about the capacity of two milk tankers. Few houses use that amount of water daily.

The NRA allows a few other licence exemptions, such as one-off abstraction of 5 cu m, or up to 20 cu m for farming or domestic use, but not spray irrigation. If it comes from an inland source that runs through or borders the abstraction, then for purposes such as bottling a licence is needed.

Bottling can be a useful diversification. At Blenheim Palace in Oxfordshire, where the land agent, Richard Everett, of Smiths Gore, calls it

"Fulford, Kingsbridge, tel: 01453 853747; Knight Frank & Rutley, London, tel: 0171-629 8171; National Rivers Authority, Almondsbury, tel: 01454 624400.

In Cumbria, a bottling plant is for sale as a going concern as part of the (Regency) 12-bedroom Lovelady Shield hotel near Alston. The asking price from Knight Frank & Rutley is £550,000.

■ Fulford, Kingsbridge, tel: 01453 853747; Knight Frank & Rutley, London, tel: 0171-629 8171; National Rivers Authority, Almondsbury, tel: 01454 624400.

Chillaton Farm in south Devon: the water supply is sufficient to fill a swimming pool as well

## U.S.A.

## FOR SALE

U.S.A. — HOUSTON, TEXAS

- 52 Deluxe Condominiums — 100% Fully Leased
- CHOICE — Prestigious Area
- 60 APARTMENTS (Condominium Approved) — 100% Fully Leased
- 108 APARTMENTS (Condominium Approved) — 100% Fully Leased
- 2 ACRES of PRIME Land (Next to Hospital)
- 60 ACRES Next to Houston Intercontinental Airport.

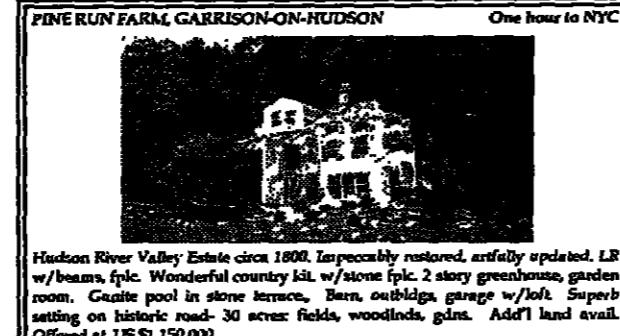
### BEST OFFER WILL BUY ONE OR ALL

Call or Fax for Full Information

Brokers/Agents protected with commission and referral fees of 10%.

**Banc Assets Liquidation and Sales**

Tel.: (713) 780-1797 Fax: (713) 780-4405



PINE RUN FARM, GARRISON-ON-HUDSON One hour to NYC

Hudson River Valley Estate circa 1800. Recently restored, recently updated. LR w/beamed fp. Wonderful country life. w/stones fp/c. 2 story greenhouse, garden room. Great property in slopes. Barn, outbuildings, garage w/loft. Super setting on historic road. 30 acres fields, woodlands, gazebo. Add'l land avail. Offered at US \$1,150,000.

Robert A. McCaffrey Realty Inc.

143 Main Street - Cold Spring, NY 10516 914-265-4113 fax: 914-265-2457

## Naples Florida

Nestled by the aquamarine waters of the Gulf of Mexico

A lush tropical setting. A relaxed upscale community with that special ambience you have always wanted.

**Dates & Bell Rapp**

Naples Reality Services

Tel USA 813-262-4333

Fax 813-262-7811

1200 sq ft., 3 bedrooms, 2 baths, 2nd floor at New York University Medical Center, and several blocks south of United Nations. Maintenance & tax, \$966. Offered for sale at \$25,000.

Fax USA at 718-665-9672

BOCA RATON/PALM BEACH FLORIDA, USA. Tel: 407-994-1222 Fax: 407-994-1222. Representation: Ms. Lisa. Contact: Roslyn Corrino, Realtor. Fax: 407-241-5000. Tel: 407-994-0000. Fax: 407-994-0000.

Call 4th Generation New Yorker & Wall St. Financial Analyst Marguerite Platt Assoc. Broker The Halstead Property Co. 212-734-0010 ext 223 Fax 212-832-2823

## ALGARVE

### THE JEWEL IN THE CROWN OF QUINTA DO LAGO

OVER 60% SOLD IN 2 YEARS!

• Super year round climate

• Individually designed homes overlooking a championship golf course

• Includes a Gold Membership rights.

Eas access to Town, Horse riding,

Waterparks and Beaches

• Final phase of villa plots just released

Telephone: 0171 602 9922

PINHEIR'S ALTO'S

QUINTA DO LAGO

54 WINDSWEET STREET, LONDON NW1 8HR

Regular Low Cost INSPECTION FLIGHTS Available

Large beachfront estate residence on Grand Bahama's best beach. 4 bedrooms, 6 baths, 2 powder rooms. Large modern kitchen, separate dining, living, family and library rooms. Jacuzzi and exercise room. Large sun deck on upper floor facing ocean. Separate building with 2 car garage, servants quarters and store room. Fully landscaped - wall enclosed.

Full details fax to:

Freepost Bahamas 809-351-3148

MARBELLA. Super apartments, villas, penthouses or terraced houses from £60,000. Tel/Fax 01245 771192

MALLORCA. Unstoppable location to luxurious homes. From £90,000. Tel/Fax 01245 383635.

TERERIFÉ STH - 1 bedroom apt. in English complex. Superb location overlooking golf course. pool. 90m. £22,000. Tel: 0384 383635.

COSTA DEL SOL PROPERTIES Marbella Office. For information & Price list ring 031 903 9761 anytime. Fax 3559

SCOTLAND

Large beachfront estate residence on Grand Bahama's best beach. 4 bedrooms, 6 baths, 2 powder rooms. Large modern kitchen, separate dining, living, family and library rooms. Jacuzzi and exercise room. Large sun deck on upper floor facing ocean. Separate building with 2 car garage, servants quarters and store room. Fully landscaped - wall enclosed.

Full details fax to:

Freepost Bahamas 809-351-3148

GUERNSEY

If you are considering re-location we offer a personal approach and FREE Househunting Facilities and Colour

Property brochure on request contact:

S.H.I.E.L.D.S

4 SOUTH ESPLANDS ST. PETER PORT/GUERNSEY

TEL: 0481 714445

FAX: 0481 715811

Tel: (01280) 813210 (evenings)

SCOTLAND

Magnificent late 18th Century Scottish

Mansion House. Standing highland

in the heart of Scotland with

extensive self-catering accommodation.

Private piers, crofts, boats, salmon

recreational facilities, shooting, fishing, pony trekking, etc.

£60,000 to £75,000.

Contact Jonathan Soper.

Tel: 01463 248 241 Fax: 01463 241

WATERMILL

North Bucks. Conservation area.

Also ham. 300 Sq ft. With B1 and

residential permissions. Access

M1, M40. Total freehold 9 acres.

O.I.R.O. £225,000

Tel: (01280) 813210 (evenings)

WANTED

Covent Garden. Soho &

surrounding areas. Houses & flats

desperately sought for existing purchasers

& tenants. Please contact Cecilia Sweeny Cowan 0171-240-4334.

AUCTIONS

NATIONAL AUCTION OF

140 LOTS

(unless sold prior)

STICKLEY & KENT S.K.

To be held on 10th and 13th of April

in Manchester and London

For a free catalogue telephone

0336 424815

101 Parkway, NW1 7PP

Calls are charged at 30p per minute charge rate and 40p per minute at all other times

© 1995 Stickley & Kent Ltd

Printed on recycled paper

100% of paper used is

recycled

© 1995 Stickley & Kent Ltd

Printed on recycled paper

100% of paper used is

recycled

© 1995 Stickley & Kent Ltd

Printed on recycled paper

</

# Belgians and Dutch enjoy Tunnel love

Gerald Cadogan looks at easily accessible properties on either side of the Channel

**A**lthough 800 people live within a few hours of the "Calais/Kent garden", the property market has hardly noticed that the Channel Tunnel is at last a working reality. Significant cross-border buying at this nodal point of northern Europe is still some way off.

Calais is where values seem likely to rise. The pound has fallen 20 per cent against the franc since September 1992, but property in northern France remains excellent value for Britons compared, for example, with Belgium. Calais *notaire* Xavier Morillon, says northern French prices are still 20 to 30 per cent down on the late 1980s.

Le Shuttle is the obvious improvement in links between Kent and northern France. The ferries are also making efforts to improve their services and are offering discounts.

Agents on both sides of the Channel report strong buying from the Belgians and Dutch, both of whom have strong cur-

rencias. The Dutch, like the British, are interested in traditional houses, says Maggie Kelly of L'Abri-Tanique, an agency in Hesdin.

The British often choose a *femmette*, intending renovation - which all properties below £30,000 may well need. John Hart, of agents A House in France, sees "a straw in the wind" when one partner works in Brussels or Paris and the other in London. On Friday they can meet in the middle, rather than fly to and fro.

Conrad Payne of Cluttons, finds cottages in Kent in the £100,000 to £150,000 range popular with Continental buyers for that reason.

In France, outsiders have always bought the buildings the French do not want. The agents listed below (mostly in England, but all working with French agents) offer a variety of *femmettes* (at up to FF135,000 and needing some work, or more if renovated) and more substantial houses.

Hart suggests looking in the Sept Vallées region, inland sports among the pines and sand dunes. Flats run from FF250,000 to FF1.8m, houses from FF750,000 to FF2.5m and plots from FF250,000 to FF150,000.

Newcomers - whichever side of the Channel - are mainly buying second homes, which makes good sense for "mixed marriages", when one partner works in Brussels or Paris and the other in London. On Friday they can meet in the middle, rather than fly to and fro.

GW Finn of Cluttons, finds cottages in Kent in the £100,000 to £150,000 range popular with Continental buyers for that reason.

In France, outsiders have always bought the buildings the French do not want. The agents listed below (mostly in

England, but all working with French agents) offer a variety of *femmettes* (at up to FF135,000 and needing some work, or more if renovated) and more substantial houses.

Hart suggests looking in the Sept Vallées region, inland



Uphousden, Westmarsh, near Canterbury; from agent G W Finn and Sons for £240,000



Coldharbour House, Lympne Kent: offered by Knight Frank & Riley at £550,000

from Boulogne and Le Touquet through Montreuil and Hesdin to St Pol.

Hamptons offers two 1830s holiday houses near the golf course in Le Touquet, at prices appropriate to such a smart resort: Low Wood Manor (FF1.5m), where PG Wodehouse lived during the war, and Villa Byways (FF1.5m). Such prices make a bargain of the 13th/14th century chateau at Coutant, near the Belgian border, partly moated and with 15 acres, which Philip Hawkes is offering for FF1.2m.

Fifteen miles from the Channel tunnel, at Great Chart, near Ashford, Kent, is Goldwell Manor a 17th century timbered and brick building which looks the essence of old Kent (Cutt Maclean, £345,000).

Coldharbour, is a striking flint and brick Georgian house, at Court-Street, with outbuildings and nine acres is being offered by Knight Frank & Riley at £550,000.

Normandy is an attractive place to buy, and convenient for Paris. The autoroutes now being built from Calais (the A16 to Amiens and Paris, and the A28 to Rouen, Le Havre and the new bridge over the Seine downstream of the Pont de Tancarville, and Caen) will open it up. In this land of apples and cream, Hawkes lists two *maisons* in the Pays de Caux north-east of Rouen, at FF2.4m and FF2.9m, and Le Residence offers a solid brick house near Forge-les-Eaux for FF1.8m.

But many people will prefer a traditional black-and-white timbered farmhouse - the *combe* style of the region - where cider and calvados were made. Domus Abroad lists one with three bedrooms near Lisieux for £25,500 fixed.

In middle and east Kent, a similar house might cost twice as much. A timbered cottage at Aidington near Ashford (Cal-

cutt Maclean, £197,500, down from £225,000) is not a true comparison as it has a separate barn and annex.

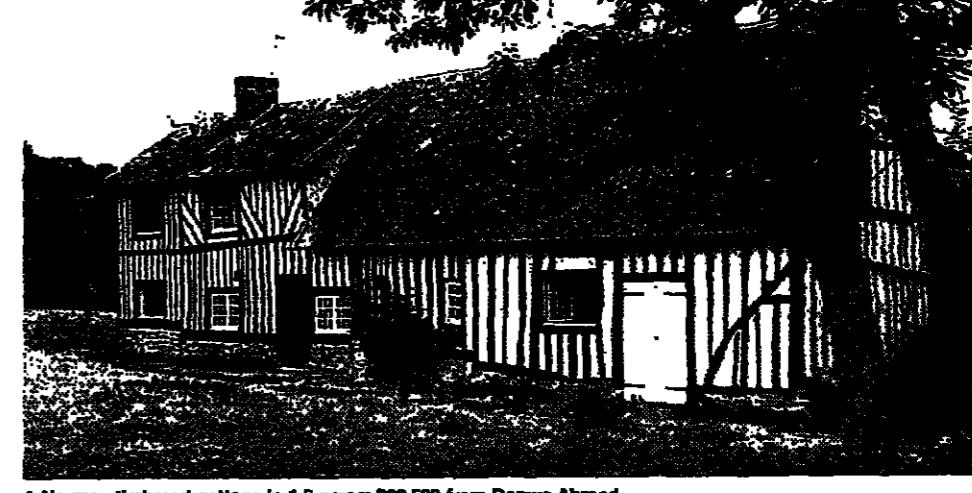
GW Finn offers Uphousden, an old farmhouse which was originally a Wealden hall, 10 miles from Canterbury, with a cottage for £240,000, and Strutt & Parker lists old houses with four to five bedrooms between £225,000 and £250,000, and two rectories at rectory prices (FF385,000 and £435,000).

Fifteen miles from the Channel tunnel, at Great Chart, near Ashford, Kent, is Goldwell Manor a 17th century timbered and brick building which looks the essence of old Kent (Cutt Maclean, £345,000).

Coldharbour, is a striking flint and brick Georgian house, at Court-Street, with outbuildings and nine acres is being offered by Knight Frank & Riley at £550,000.

For northern France properties: L'Abri-Tanique, Hesdin (21 81 59 79); Barbers (0171-321 0121); Domaine d'Hardenot, Hardelot (21 91 81 00); Domus Abroad (0171-421 4630); Hamptons (0171-493 8222); Philip Hawkes, Paris (1) 42 68 11 11; A House in France (0191-959 5102); Le Residence, Ruislip (01885-622 020). Also: Mission Côte d'Opale, Boulogne (21 87 33 06).

For Kent properties: Cutt Maclean, Wye (01233-812 060); GW Finn, Sandwith (01304-612 147); Knight Frank & Riley, Tunbridge Wells (01892-822 020); Strutt & Parker, Canterbury (01227-451 123).



A Norman timbered cottage in 1.5 acres: £22,500 from Domus Abroad



Château et Coutant: FF2.9m from Paris agent Philip Hawkes

## INTERNATIONAL PROPERTY

### Classic Umbrian Farmhouse



Beautiful restoration, pool, guest house, garage, 1000 sq m of olive grove & breath taking views over Lake Trasimeno. The perfect rural retreat. Lit 1.8 billion (approx £700,000). Similar property for conversion also available.

For further details call Jeff Morton (UK) +44 (0) 173-572-5826 or David Newman (ITALY) +39 (0) 75-951314

### BERMUDA "Another World"

Houses from \$2m. Condos from \$400,000. For information on Bermudas property come visit Jeff Payne at the "World of Property" exhibition at Sandown Exhibition Centre, Essex, 24th to 26th March 1995, or call Tel: 089-296-0490 Fax: 819-295-4022

### SWITZERLAND

Prime position 4kms from Gstaad. Spacious 3 bed aptn. Stunning view. American owner must sell £375,000. Tel: +44 0171 267 6001

### ALGARVE - PORTUGAL

PRAIA DA CARVOEIRO. New 3 bedroom villas approx 1,000 m<sup>2</sup> plot from £100,000 next to Golfcourse. SESMARAS COUNTRY CLUB. Box 122 P-8000 Lagos. Tel: +351-82-356447 Fax: 357146

### NASSAU, BAHAMAS

1,200 feet prime ocean beach property approved for 360 units US \$5 MIL VIII divide. Canal lots 50K 2 bed apt 125K Call Tel 809-352-1000 Fax 809-322-2048

### FRANCE

COTE D'AZUR 125 ACRE ESTATE NR GRASSE Magnificently restored large Manoir House 3 reception, 7 beds, 5 baths plus six other excellent houses, stables, lawns, springs, streams, trout ponds, lush vegetation, mild climate and superb scenery, £4 million onto SPA (EU) see the best Riviera properties.

Tel 0171-483 0806 Fax: 0171-483 0438

### COTE D'AZUR 125 ACRE ESTATE NR GRASSE

Magnificently restored large Manoir House 3 reception, 7 beds, 5 baths plus six other excellent houses, stables, lawns, springs, streams, trout ponds, lush vegetation, mild climate and superb scenery, £4 million onto SPA (EU) see the best Riviera properties.

Tel 0171-483 0806 Fax: 0171-483 0438

### SW FRANCE

In village 20 mins from autoroute. Large elegant house + staff house, outbuildings, 1 acre garden & own chapel. Ideal for commercial or private use. In need of internal renovation.

FF 2.2m. Tel: (33) 53 61 63 36

### In the Heart of the French Riviera



Architectural high standard California style villa with scenic view of Grasse/Retz mountains - very quiet location in Mouans. 15 min. to ocean/Cannes - 18 min. to Nice airport - within 10 min. of 8 golf courses. 635m<sup>2</sup> of easy maintenance space on 2 stores. Entrance level 165 m<sup>2</sup> incl. 45m<sup>2</sup> office facilities + garage/2 large cars. Upper level: 50m<sup>2</sup> Master bed w/ large specimen marble bathroom/suite - 3 large beds. Walkovers - 120 m sitting room w/fir place - 65m<sup>2</sup> dining/windor winter garden - 70 m California style modern kitchen. Outside 80 m<sup>2</sup> covered barbecue terrace. Large 15x7m pool. Spectacular 5000 m<sup>2</sup> grounds of lawn/cypress and olive trees. Automatic sprinklers and gate. Central alarm system.

For sale by owner FF 9.5 mil. negotiable. Tel: +33 93 75 27 14 Fax: +33 93 75 72 77

### FRANCE



3 room apartment

146 sq.m. with a big terrace, living room, 2 bedrooms, 2 bathrooms, kitchen, sea view (56)

### MONTE-CARLO

#### SUN TOWER (Carre d'Or)

3 room apartment

146 sq.m. with a big terrace, living room, 2 bedrooms, 2 bathrooms, kitchen, sea view (56)

### AGEDI

79 Bd des Moulins MC 98000 Monaco Tel: 33-92 165 959 Fax: 33-93 501 942

### Site Maxime

2 bedroom apartment facing harbour and Gulf of St Tropez. Large garage, most furnishings, available by negotiation.

Agence Provence

Avenue Charles de Gaulle, 83120 Site Maxime

Tel: 09 33 94 96 00 18

Fax: 09 33 94 96 71 12

### CAPCASSEONE

Superb setting on the lake shore. New apt, with balcony, set in landscaped gardens. Pool, tennis, boat moorings. Veroia airport only 35km. Golf club nearby.

Prices from £72,000

Casa Travella 01322 660988

Fax: 01322 637206

### CLUB MOUGINS, NF. CANNES

Luxury apartments for rent weekly. In quiet, discrete residential area, close to beach, restaurants, bars, nightclubs, shopping, tennis, swimming, golf, etc.

Ask for our FREE copy now. Tel: 06 94 194 000

Fax: 06 94 194 001

### COTE D'AZUR 26 minutes from Nice airport, panoramic view of the sea, large reception and 4 bedrooms, 2500m<sup>2</sup> land with large pool, views, only 2,100,000 FF. Cote d'Azur 06 92 64 15 15

Castello di Reschio

Exclusive Properties

### ITALY

#### Tuscany/Umbria border:

Early 18thC. Palladian style villa.

Umbria: 17thC. palazzo.

Many more.

Estate A French & Ass.

Tel: 06 91 284 0114

Fax: 06 91 485 4852

### LAKE GARDA

Superb setting on the lake shore.

New apt, with balcony, set in landscaped gardens. Pool, tennis, boat

moorings. Verona airport only

35km. Golf club nearby.

Prices from £72,000

Casa Travella 01322 660988

Fax: 01322 637206

### ITALY LIDO

Apartment 3 mins to beach.

Prices from 200m hrs. For more information call evenings after 10 March Tel: (06) 270 0421

### TUSCANY LIDO

Apartment 3 mins to beach.

Prices from 200m hrs. For more information call evenings after 10 March Tel: (06) 270 0421

### ITALY ALPS



## MARKETS / SOUTH WEST ENGLAND

# London shines in the gloom

Gerald Cadogan considers the painful lessons which the housing market has had to absorb in the past year

**M**onth by month the statistics depict a flat, if not gloomy, housing market. Turnover and mortgage lending are down. Nationwide and Halifax report little change or falls in average house prices. The effect of negative equity is thought to be preventing more than 1m households from moving.

Mortgage rates of around 8.5 per cent are expensive when the inflation rate is low. Next month tax relief switches to 15 per cent for the first £30,000 of a loan. When householders lose their jobs they will face tougher regulations on social security mortgage benefit.

It is a bleak picture as the housing market takes the full force of the government's push to overcome inflation and promote an export-led recovery.

What a contrast with seven years ago, when the headiest inflation was found in house prices, and owners could make good gains by "trading up" or

enjoy a grander standard of living than they could afford from their earnings, by withdrawing equity - cash - from their mortgage against the apparent security of a higher value when they sold their home.

Who today would take on the commitment of a larger mortgage when a job tomorrow is far from certain, and there is little expectation that your home will go up in value - and none at all in real terms?

It is said that prices have returned to 1988-89 levels;

they are in fact about 35 per cent down when adjusted for inflation. And it looks unlikely that they will in general increase much more than inflation.

The wise thing now is to reduce the loan, using a conventional repayment mortgage rather than an endowment. The turnaround in the market has been painful (except for cash buyers at the top end of the market in London and places in easy commuting/weekending distance from

London). Homes have regained their proper purpose, to be places for living and bringing up a family, not tax shelters.

Moving house to trade up is a thing of the past, except perhaps in the young professionals' flat market in London in which prices rose significantly last year. Family need has returned as the prime factor in moving which, like marriage, is not to be undertaken lightly.

Incidental costs are high and, as John Brain, chairman of agents Hamptons says: "It may take five to 10 years to see a substantial increase in an asset rather than one or two."

However, when one looks at the relationship between house prices and earnings, homes continue to appear extremely affordable and there are plenty of potential buyers. Almost 60 per cent of Hamptons' applicants can buy at once, as they have nothing to sell or have sold subject to contract.

But potential vendors, even those not burdened by mortgage debts larger than the

value of their houses, remain reluctant to sell.

Why? By now it is more, I think, that they cannot see what to buy themselves, rather than that they are waiting for a major price rise that will not happen.

They should take heart. Sensibly priced good houses, with a little money spent on preparing them for market, sell quickly. Price them a little below the top and there is a good chance of competition with "best and final offers" above the guide price. But if the initial price is wrong, even by 10 per cent, says George Philip of Lane Fox in Banbury, people will not move.

Smart London is a special case, as the market is buoyed by international money.

Houses priced at more than £1m are continuing to sell well, gumming has reappeared and "we even had three people fighting over one house", says Hazel Haywood, of Proprietary, which specialises in expensive houses. While WA Ellis finds

that more people want to buy than to sell, especially in the £600,000 to £900,000 range, Aylesford has more houses and flats coming to market than for the past nine months. Of 81 central properties sold last year, 43 were in Chelsea and UK buyers took 30 of them.

Now it has more than 22m of house instructions in Belgravia and Chelsea, at an average price of £1.4m.

A major purchase has been

the Old Rectory in Chelsea, with an asking price of £2.25m, and a Singapore consortium led by Dr Stanley Quek has bought the 4.25 acre former Westfield College site on Finchley Road (Hampstead, NW3) to develop into 196 flats.

Quek's group (Liang Court

Holding and Region Development) is already developing the north and west sides of Stanhope Gardens, SW7, to



The top end of the London market is alive and well: the Old Rectory in Glaston Road, SW10 is priced at £2.25m (Jackson-Stops)

make 84 flats and an apartment hotel. The first phase sold out off-plan.

In the £250,000 to £500,000 mid-range, Nicholas Pearce, of Beany Pearce, expects a 15-20 per cent price rise in 1995. A

year ago the firm sold a three-bedroom flat in Draycott Avenue, SW3 for around £400,000. A similar flat in the same

building is on offer for £445,000.

In East Anglia, David Bedford of Bedford, in Bury St Edmunds, can sell houses of rectory/large farmhouse size easily, "often at 10-15 per cent above 1993 price levels". He foresees a further 5 per cent increase or, exceptionally, 10 per cent in 1995. And in Hampshire, where prices rose 10-15

per cent across the board last year and sometimes more than 20 per cent, they will probably still rise "another 10 per cent for the 'perfect houses'", predicts Russell Hill, of Hill & Morrison, in Odham.

Sales made without publicity

are a growing feature of the market, although the agent may advise public marketing if

it does not work privately.

There is excellent value out there, for example in Scotland, in Morayshire a solid Victorian house needing work but in a superb position high in the Spey valley, costs just £115,000 (Langley-Taylor, 01309-611 206).

If you are a seller, price reasonably and the buyers should come flocking.



This house in Morayshire high in the Spey valley, costs £115,000 (Langley-Taylor, 01309-611 206)

## Where the west wind blows

Balmy air and coastal views make for a strong property market in Devon and Cornwall, writes Gerald Cadogan

**D**evon is warmer, you really notice it," says the Mid-lanes rector's wife, "and it is wetter. It makes marvellous gardens." She and the rector will soon retire to where she grew up but, thanks to the good trains and motorways, they will keep in touch with the rest of the country.

Devon's other attraction for them is its "slower pace of life. People take their time."

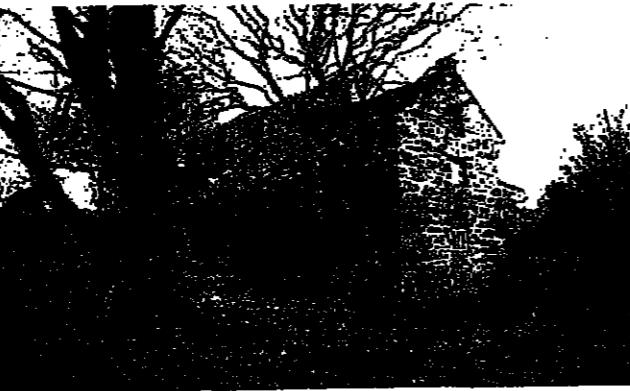
Cornwall was another matter. "A long way further on," the rector said, "and bleaker than Devon".

Walking on Bodmin Moor or a Cornish clifftop path in a gale, one agrees. But Dartmoor can be equally bleak, while the valleys and estuaries of southern Cornwall are as balmy as those in Devon.

Perhaps it is the Cornish granite that makes the difference, tying the peninsula to the wild and rocky Highland zone that runs up the west side of Britain all the way to Orkney and Shetland.

This clerical couple is following an old and flourishing pattern. For more than 100 years, people have migrated to Devon and Cornwall to retire or for family holidays.

These traditional niche markets, and the investment market (buying for letting, and, possibly own use later), have improved noticeably in the



Water works: Roskennels Mill near Newbridge is still functional

past two years, says Geoff Frost, managing director of agents Miller and Constables, which between them have more than 40 offices in the two counties. The prices represent good value, and buyers moving to the south west should have money over from selling their old home to spend on living the civilised life in a region where gardening, sailing, fishing, gastronomy, walking, surfing, sightseeing and archaeology all beckon.

A sturdy independence survives in the counties. In Cornwall 60 per cent of the male population are self-employed or work in small companies. This may partly explain, Frost says, why the recession did not hit the property market here as badly as elsewhere in the UK. Add to that the inward migra-

tion, and one sees why south west prices firmed more than those in any other region in Britain in 1994, as Halifax and Nationwide building societies agree.

Negative factors are the huge water rates for those who do not have their own supply and the rises in interest rates. Michael Saunders of Fulfords, which has 26 offices in Devon, saw an immediate 50 per cent drop in sales after the rise last September. He says the strongest market has been in top-range houses, especially if they have slipways, moorings or estuary views.

Richard Addington of Knight Frank & Rutley in Exeter agrees. He says such amenities are popular because they are scarce in the rest of Britain.

Away from the water, says

Addington, there are too few "middle-sized family houses in good locations" for likely buyers from the south east. When they do come up, they command a premium price.

In Cornwall, Carrick Pines at warm, sunny St Mawes has fine views across Carrick Roads estuary, a huge natural harbour with boats and birds galore to watch. This modern house owns the foreshore down to the low water mark. Jackson-Stops and Tiddy asks for offers of more than £550,000, while Miller lists several coastal houses, including one at St Ives with a lush garden for £365,000.

Further east, Ethy House at Lerryn near Lostwithiel and five miles from Bodmin Parkway station is Georgian listed grade II\*, in 17 acres. It boasts

views across the Lerryn valley and an indoor swimming pool set in a Greek fantasy (Miller, £700,000).

Lewtrenchard, an old rectory with eight bedrooms, is for sale for £255,000 from Constables. It was built by the Reverend Sabine Baring-Gould, of "Oxford Christian soldiers" fame, in 1906. His wife Grace Taylor, a mill girl from Yorkshire, who is thought to have been the inspiration for Eliza Doolittle, bore 15 children, of whom 14 survived.

The best-looking house on the market is cheaper than any of these. Portland Lodge is a Regency villa overlooking Exeter in the smaller part of the city, called Penneybridge (Strutt & Parker, £240,000).

But cheaper still is 1 Cross Street, Helston, a porticoed

Georgian house and one of the best in town.

The new owner will have to enjoy - or endure - having the famous Helston Furry Dance danced through the property every May on Flora Day (Miller, £195,000).

Cottages are an attractive buy because so many people want to rent them for holidays.

Miller has an idyllic one for £170,000: Creekside Cottage near Truro on Cowlands Creek, which is tidal and runs into the river Fal and Carrick Roads.

Miller is offering the Old Mill at Jacobstow near Okehampton, which has fishing on the river Okement (£125,000), and Torr Cottage (£129,950) at Thorn near Chagford on the edge of Dartmoor.

Hightfield House in Chagford, a substantial Victorian house

that once belonged to Sir Frank Whittle, inventor of the jet engine, is being sold by Jackson-Stops or Rendells for £225,000.

There are also two stylish farmhouses with outbuildings on the market. They are the pink-painted Studlys Farm in the hamlet of Capton near Dartmouth (Fulford, £245,500, plus a barn with planning consent at £50,000) and Venitonwyan between Truro and St Austell (Miller, £227,000). Or £285,000 secures Trevanthian near Newquay, another good farmhouse which has 167 acres of land (Miller).

The old Roskennels Mill near Newbridge can still be made to work and includes three acres and the leat to bring the water to power the mill. It is on the

market for £198,000 from Miller.

My choice would be Chun Farm near Morvah on the Cornish north coast. It is a typical cottage but has 65 acres of grass, moor and heather, which qualify for an Environmentally Sensitive Area payment from MAFF (£1,900 last year). Among them is half of an Iron Age hillfort - Chun Castle - with granite ramparts. This farm costs just £145,000 (Miller).

Constables, Exeter (01322-422132); Fulfords, Dartmouth (01628-832223); Jackson-Stops, Exeter (01392-311222); Miller, Truro (01872-742111); Milerson, Okehampton (01837-540800); Rendells, Chagford (01647-422277); Strutt & Parker, Exeter (01392-215631); H. Tiddy, St Mawes (01326-270212).

But the best view across the estuary from Carrick Pines at St Mawes make it one for the birdwatchers

Wings of desire: the view across the estuary from Carrick Pines at St Mawes make it one for the birdwatchers

views across the Lerryn valley and an indoor swimming pool set in a Greek fantasy (Miller, £700,000).

Lewtrenchard, an old rectory with eight bedrooms, is for sale for £255,000 from Constables. It was built by the Reverend Sabine Baring-Gould, of "Oxford Christian soldiers" fame, in 1906. His wife Grace Taylor, a mill girl from Yorkshire, who is thought to have been the inspiration for Eliza Doolittle, bore 15 children, of whom 14 survived.

The best-looking house on the market is cheaper than any of these. Portland Lodge is a Regency villa overlooking Exeter in the smaller part of the city, called Penneybridge (Strutt & Parker, £240,000).

But cheaper still is 1 Cross Street, Helston, a porticoed

Georgian house and one of the best in town.

The new owner will have to enjoy - or endure - having the famous Helston Furry Dance danced through the property every May on Flora Day (Miller, £195,000).

Cottages are an attractive buy because so many people want to rent them for holidays.

Miller has an idyllic one for £170,000: Creekside Cottage (£129,950) at Thorn near Chagford on the edge of Dartmoor.

Hightfield House in Chagford, a substantial Victorian house

that once belonged to Sir Frank Whittle, inventor of the jet engine, is being sold by Jackson-Stops or Rendells for £225,000.

There are also two stylish farmhouses with outbuildings on the market. They are the pink-painted Studlys Farm in the hamlet of Capton near Dartmouth (Fulford, £245,500, plus a barn with planning consent at £50,000) and Venitonwyan between Truro and St Austell (Miller, £227,000). Or £285,000 secures Trevanthian near Newquay, another good farmhouse which has 167 acres of land (Miller).

The old Roskennels Mill near Newbridge can still be made to work and includes three acres and the leat to bring the water to power the mill. It is on the

market for £198,000 from Miller.

My choice would be Chun Farm near Morvah on the Cornish north coast. It is a typical cottage but has 65 acres of grass, moor and heather, which qualify for an Environmentally Sensitive Area payment from MAFF (£1,900 last year). Among them is half of an Iron Age hillfort - Chun Castle - with granite ramparts. This farm costs just £145,000 (Miller).

Constables, Exeter (01322-422132); Fulfords, Dartmouth (01628-832223); Jackson-Stops, Exeter (01392-311222); Miller, Truro (01872-742111); Milerson, Okehampton (01837-540800); Rendells, Chagford (01647-422277); Strutt & Parker, Exeter (01392-215631); H. Tiddy, St Mawes (01326-270212).

But the best view across the estuary from Carrick Pines at St Mawes make it one for the birdwatchers

Wings of desire: the view across the estuary from Carrick Pines at St Mawes make it one for the birdwatchers

views across the Lerryn valley and an indoor swimming pool set in a Greek fantasy (Miller, £700,000).

Lewtrenchard, an old rectory with eight bedrooms, is for sale for £255,000 from Constables. It was built by the Reverend Sabine Baring-Gould, of "Oxford Christian soldiers" fame, in 1906. His wife Grace Taylor, a mill girl from Yorkshire, who is thought to have been the inspiration for Eliza Doolittle, bore 15 children, of whom 14 survived.

The best-looking house on the market is cheaper than any of these. Portland Lodge is a Regency villa overlooking Exeter in the smaller part of the city, called Penneybridge (Strutt & Parker, £240,000).

But cheaper still is 1 Cross Street, Helston, a porticoed

Georgian house and one of the best in

## ITALY

**T**he story, as Count Anton Bolza tells it, is that he wanted to buy one acre of land near Mercatale in Umbria, Italy, but ended up with 2,000.

He needed the additional land to straighten the boundary of his second home, which lies amid rolling hills and wide valleys between Perugia and Cortona. His property's oddly shaped two acres was not secluded enough, so he began to negotiate with owners of the surrounding land for one more acre. Last year he became the owner of their entire holding of 2,000 acres.

This is the private estate of Castello di Reschio, on which he and his wife are now offering farmhouses for sale, renovated to buyers' requirements.

There are 35 properties scattered over the estate, which could make 50 houses. They are on ridges or slopes, often with other buildings visible but not close. Many have two or three acres of their own, which a tenant farmer would have worked in the days before families abandoned rural life for the towns.

Their present condition varies from just liveable to ruined. They are to be sold off in their existing state, with restoration as part of the deal.

"I will only sell as a renovation project," says Bolza. "I will not sell a house because someone wants to make an investment and not touch it for the next 10 years. I want to develop the estate."

There will be some rules, says Bolza. For example: "You cannot paint shutters horrible colours."

Oversown tracks leading to the estate's 20 miles of roads are being cleared so properties can be inspected by possible purchasers.

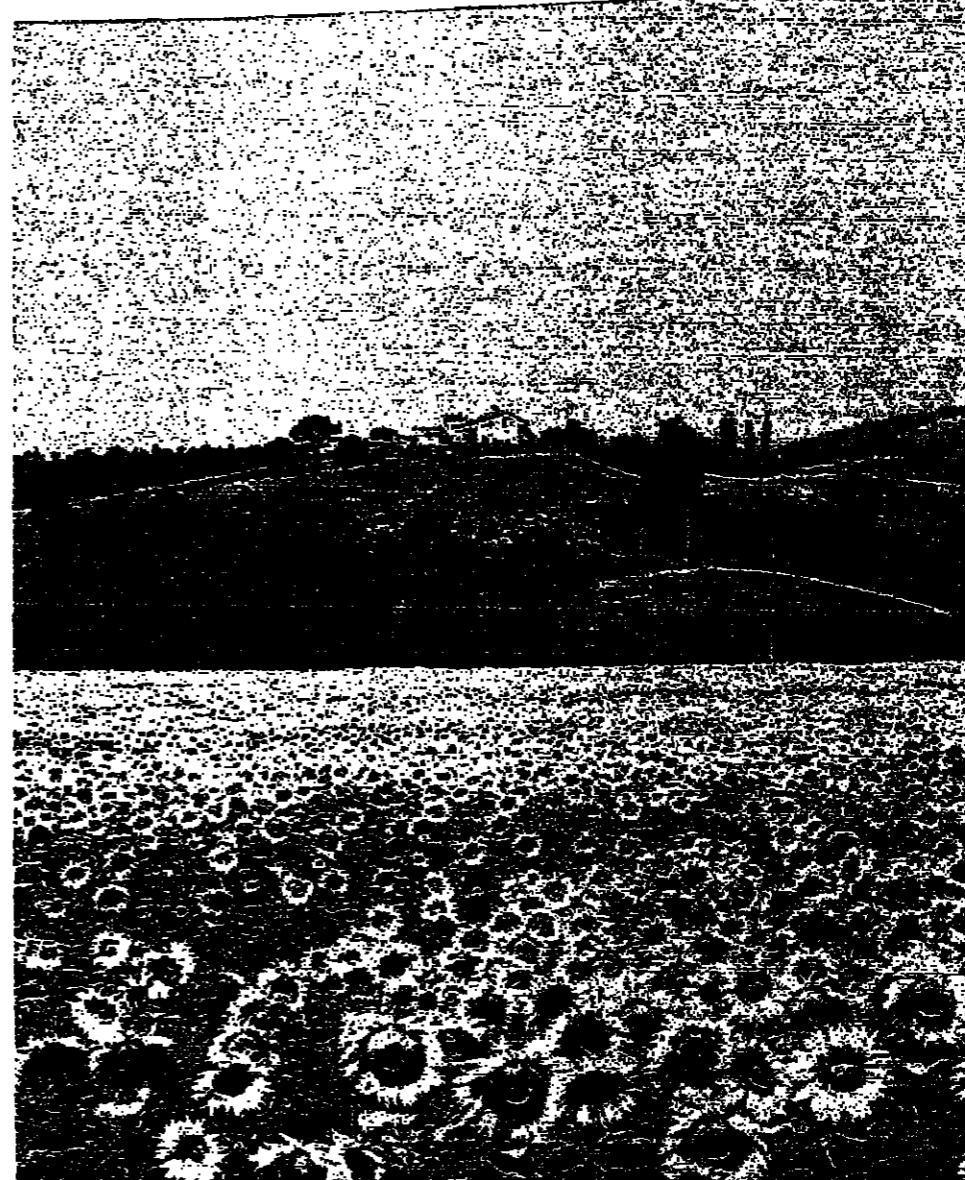
With his Nissan off-roader making some precarious sorties over the rougher patches, life on the estate is a far cry from Bolza's previous incarnation as a publisher of art books in Munich, or his days spent working for Egon Ronay in London.

As a child refugee he came from Hungary to Austria in the 1940s. In due course he went into publishing, moving on to management and company ownership.

His wife, Angelika, studied building restoration in Vienna. While living in Germany the couple began buying, renovating and re-selling rural proper-



Labour of love: five-bedroomed farmhouse in three acres is priced at £125,000, plus the same again for renovation



Room with a view: this farmhouse overlooking a field of sunflowers is for sale at £210,000 unrenovated

## An Italian idyll revisited

Restoration is key on one Umbrian country estate, reports Audrey Powell

ties in Italy. When the opportunity came to buy the estate, a decision had to be made. Which life should they choose?

The low hills of Umbria won over the Munich's bleak winters. Bolza disposed of his publishing businesses, was joined by his fiscal adviser and another friend, and Castello di Reschio Exclusive Properties came into being.

Some of the land was sold to farmers, whose sheep give a homely look to the meadows, and there is an active tobacco commune. In spring poppies blaze; in summer fields of sunflowers change the dominant colour to yellow - and also bring a useful subsidy.

A few properties have small vineyards, and there are olive

groves on the estate - the oil of the region is highly regarded.

Wild boar are a problem. They are multiplying and their numbers are kept down, as they damage crops. Periodic boar shoots are planned, which property owners can join if they wish.

Many of the old houses follow the same basic pattern. Farm animals would in earlier times have been kept at ground level beneath the properties. With their supporting arches and brick floors, these areas have the potential to become attractive living and dining rooms. Stone steps outside lead up to what could become the bedrooms. An inside staircase and modern

amenities can be added.

The countess has considered how families might want to live in these houses and made drawings of how they could be suitably restored, retaining as many original features as possible.

Outbuildings might be incorporated as extensions, or make walled gardens. Shady verandas or pergolas would be welcome additions for summer days, as would double glazing and insulation used to counter the mists of the Umbrian autumn.

Potential buyers are invited to decide how they would use the property. Suggested renovations are based on this, with the countess' drawings used as a basis for discussion.

Once a design is settled on, a

price is agreed for the conversion work. Unrestored properties could cost £100,000 to £250,000, but the total figure might be double, depending on the renovation required.

Where technical advice is

required, a geometra (type of architect) is brought in. Bolza's company will prepare detailed drawings and legal documents and submit them for planning consent.

The restoration work is done by the company's craftsmen, closely supervised by the countess. An owner is kept informed of progress via reports and photographs.

Castello di Reschio also offers services such as interior decorating, garden and swimming pool maintenance, letting

and management.

Properties on the estate include a hilltop farmhouse which has been made into a terrace of three apartments, with communal pool. One is still available at £135,000.

A five- to six-bedroom prop-

erty with stables awaits renovation, and could be run as a riding school. It costs £145,000 unmodernised. The estate also boasts a mill, a small brickworks, even a castle.

But Bolza has plans for the latter. Fortification walls containing potential dwellings encircle the main building.

These are to be split vertically into 25 two-bedroom apartments for letting. The walk along the ramparts above them is shaded by vines, and wisteria flourishes below.

The castle cellar will become a bar, and a swimming pool and tennis court are planned for the grounds. Uses have yet to be found for the huge rooms in the castle itself.

There is as yet no golf

course, but nearby Perugia boasts one. Umbria has no sea border but lovers of sailing have only a short drive to Lake Trasimeno, the country's fourth-largest lake.

There are shopping facilities a 10-minute drive from the estate. Rome and Florence airports are both about two hours away. But plans to turn Perugia airport, half an hour away, into an international facility may bear fruit.

Two properties on the estate

have been renovated and furnished for holiday letting. A studio created from a tower costs between £470 and £710 a week for two, depending on the season. A former school house sleeps four or five and is priced at £900-£1,000 a week.

Maid service and a communal pool are available, and both can be rented through CV Travel.

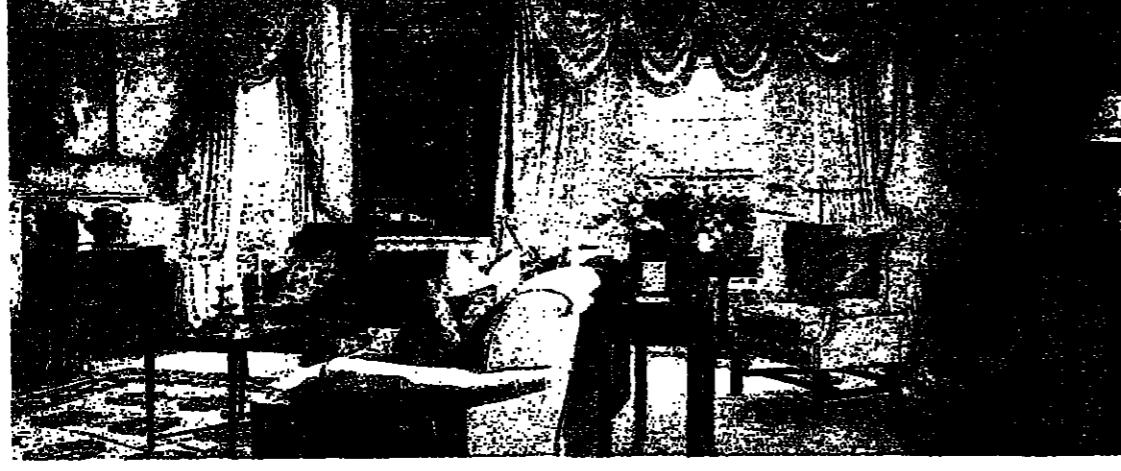
Castello di Reschio is begin-

ning to return to life. As the locals pronounce the name it sounds like "rescue". That, you are assured, is what the opera-

tion is all about.

■ *Castello di Reschio, London (0171-866 5532; CV Travel, London (0171-581 0851).*

### KENSINGTON GREEN • LONDON W8 RESIDENCES OF GENUINE DISTINCTION



- ◆ Four investment houses remaining for sale from £1,200,000
- ◆ 24 hr Security    ◆ Landscaped Gardens
- ◆ Underground and integrated car parking

For further information on properties at Kensington Green please contact the Sales Office on

0171 938 3350  
or Facsimile  
0171 937 8194

SAVILLS

SINCE 1850  
**CHESTERTONS**  
RESIDENTIAL

**MAYFAIR, W1**  
**CULROSS STREET, W1**  
Offers invited

A substantial townhouse with accommodation arranged over four floors comprising eight bedrooms, four bathrooms, drawing room, dining room, study/dressing room, cloakroom & garage. Staff accommodation comprises bedroom, bathroom & reception/bedroom. Lease approx 50 years. JSA - Seville

**GROSVENOR HILL COURT, W1**  
**E445,000 Leasehold**

A long leasehold sixth floor purpose built flat with dry portage. Accommodation comprises three bedrooms, two bathrooms (one en-suite), large reception room and kitchen. Lease 100 years. JSA - Levens

**GROSVENOR SQUARE, W1**  
**E475,000 Leasehold**

A well presented sixth floor flat in this prestigious mansion block overlooking the Square and benefiting from portage. Two bedrooms, two en-suite bathrooms, reception room and kitchen. Lease 74 years.

**WEST EATON PLACE, SW1**  
**E210,000 Leasehold**

An attractive third and fourth floor maisonette situated on the top two floors of this white stucco fronted house. Two bedrooms, two bathrooms (one en-suite), drawing room, dining room, kitchen & kitchen (one left). Lease 36 years.

**BERKELEY SQUARE, W1**  
**E540,000 Leasehold**

An impressive sixth floor flat benefiting from direct views over the Square. Accommodation comprises master bedroom, en-suite bathroom, guest bedroom with en-suite bathroom, drawing room, further bedroom, shower room, cloakroom, reception room and kitchen. Lease 39 years. JSA - Weatherill

**BLACKBURNES MEWS, W1**  
**E275,000 Leasehold**

A low built townhouse benefiting from garage and access to communal gardens. Accommodation comprises master bedroom with en-suite bathroom, guest bedroom with en-suite bathroom, drawing room, dining room, kitchen/breakfast room, and study. Staff flat comprises two staff bedrooms, bathroom, cloakroom, kitchenette & utility room. Lease 30 years.

**PARK LANE, W1**  
**E575,000 Leasehold**

A well presented fourth floor flat with two reception rooms overlooking Park Lane and Hyde Park. Three bedrooms, two bathrooms (one en-suite), shower room, drawing room, dining room and kitchen. Lease 105 years.

TEL: 0171 629 4513 FAX: 0171 493 0131

**YORK HOUSE - W8**

An unrenovated second floor flat with the benefit of roof terrace and views of Kensington Palace and Kensington Palace Gardens. Reception Hall, 2/3 reception rooms, kitchen/breakfast room, 4/5 bedrooms, 2 bathrooms and potential for further bedrooms. Roof terrace. Lift. 24 hour porterage. Lease 99 years. Sole Agent. £295,000 Leasehold

**HAMPTONS**  
Joint Sole Agents: Weatherill  
0171-493 8222  
0171-405 6944

**Weekend FT  
RESIDENTIAL PROPERTY**

Every Saturday the Weekend FT's Residential Property section enables you to promote your property for sale or rent to approximately 1 million potential home buyers or tenants in 160 countries.

For details on advertising, contact the Property Team call +44 171 873 4186 or Fax +44 171 873 3098

SAVILLS

Newspaper Office Tel: 0171-437 8571  
Fax: 0171-376 2095

**LLOYDS WHARF, MILL STREET, LONDON SE1**

**WAREHOUSE CONVERSION CLOSE TO TOWER BRIDGE**

2 Bedroom Apartment situated in quiet cobbled courtyard. En-suite shower with separate bath, open-plan kitchen, large reception with private west facing terrace. Secure parking, portage. Fully furnished £400 p.w.

Large selection of properties both furnished and unfurnished close to Tower Bridge, Butler's Wharf, Wapping, Surrey Quays. From £130 p.w.

For further details on letting or renting, please consult the professional team led by Mervin McCarthy at:

3 Gainsford Street, Tower Bridge, London SE1 2NE.  
Tel: 0171 497 3669 Fax: 0171 497 4479

**WHITEHALL COURT, WESTMINSTER - SW1**

An imposing riverside apartment in this elegant period mansion block, with magnificent views over the Thames and beyond. Hall, 2 reception rooms, large balcony, 2 kitchens, 3 bedroom suites. £475,000 Leasehold

**HAMPTONS**  
Joint Sole Agents: Weatherill  
0171-493 8222  
0171-405 6944

**Debenham Thorpe Residential**

**WILSEY STREET, LONDON W1**

A newly refurbished and furnished apartment situated on the 8th floor of this prestigious modern block. The flat benefits from a bright south westerly aspect and commanding views. 2 Bedrooms, 2 Bathrooms (1 en-suite), Kitchen/Breakfast Room, Dining Room, Reception Room, Living Room, Shower Room, Utility Room, 24 hour portage. Passenger lift. Sole Agent £295,000

**CHARLES STREET, MAYFAIR**

An exceptionally bright and spacious flat situated on the third floor of a period building, providing good sized accommodation, and with the benefit of a terrace. Reception Hall, 2/3 reception rooms, Kitchen/Breakfast Room, 2 Bedrooms, 2 Bathrooms (1 en-suite), Shower Room, Utility Room, 24 hour portage. Passenger lift. Sole Agent £295,000 (to include entire contents)

**DEANERY STREET, MAYFAIR**

A selection of newly refurbished and 3 bedroom apartments available to let on an unfurnished/furnished basis and with the benefit of underground car parking. Asking rents from £475 per week less.

**MAYFAIR OFFICE**  
Tel: 0171 405 1361 Fax: 0171 408 2768



Joe Rogaly

## Blair's community spirit

Labour's leader has embraced a philosophy of trite and old clichés

**I**t would be unkind to trouble you with the thoughts of Amitai Etzioni on a weekend close to spring, were it not that Tony Blair's busy brain is crowded with some of the same notions. The Labour leader's principal contribution to British political discourse is that humans are social animals, dependent on mutual support. He calls that "community". The American professor labels the same self-evident proposition "communitarian" and makes a decent living out of it.

I bumped into professor Etzioni in a corridor near the House of Commons on Tuesday evening. He allowed that he had that very day spent an hour with Mr Blair. Did the two of them agree with one another? "Tony" had seen the light, it appeared. Praise be. He had started from different premises, but reached the same conclusions as his visitor. Beyond that, the world's chief communitarian did not wish to speak for the leader of the people's party.

Fortunately, there was no need to rush across the street and knock on the putative next prime minister's door. Mr Blair's written words tell us what we need to know. The new clause four of the Labour party's constitution is by all accounts largely his work, with the final draft written in

his own hand. It is infused with communitarianism. Its opening words speak of us living in "a community".

Very quickly it displays a flourish that is pure Etzioni, arguing that "the rights we enjoy reflect the duties we owe". The professor was moved to propound this admirable truism some years ago, when he observed that US citizens demand trial by jury, but tend to shirk jury service. Today's communitarian literature, some of which I have in my hand, headlines and capitalises the phrase "Rights and Responsibilities".

The chain of coincidence does not end there. To restore our moral voice, says professor Etzioni, we must start with the family. A just society, clause four tells us, "nurtures families". The idea that aspirant middle-class parents are enriching themselves at the cost of neglecting their children is one for which the US essayist is celebrated.

There is a catch. His supporters on the right are more enthusiastic about it than those who approach his embryonic big idea from the left. The formulation is perhaps too strongly-flavoured for the taste of feminists in the Labour party, which makes it all the more remarkable that Mr Blair has thrown a pinch of families-need-fathers into his clause four stew.

The professor's theories are suffused with the principle of subsidiarity, suggesting that governance is best undertaken at the lowest possible level.

What ho, Clause four speaks of decisions being taken "as far as practicable by the communities they affect". Labour will ally itself with trade unions and co-operative societies, which we knew, but "also with voluntary organisations,

Community thinking rejects socialism and embraces markets

consumer groups and other representative bodies".

It is hardly surprising that persistent dreamers on the left see danger in communitarian thinking. They are right to do so. It rejects socialism. Instead it embraces markets, while seeking to wrap them in personal morality. When I ran into the professor he had just delivered a talk to the Institute of Economic Affairs. His theme was the falsity of classic economics. Its assumptions - a personal focus on the maximisation of utility, rational decision-making, and unfet-

tered individual choice - did not reflect the real world.

This might be hailed as bravery were it not that he was unaware that the IEA has argued for free markets and liberal economics for more than three decades. Under fire from a fidgety audience he shot back, "State? Did I say state? When did I mention the state?" Mr Blair could not have put it better himself.

Enough. Professor Etzioni and Mr Blair could sweet-talk us to distraction, which is no way to spend Saturday. Where is the hard policy?

One communitarian area of possibility is pointed out by a British professor, Michael Rustin. He wants Labour to foster the non-profit sector, by which he does not mean charities alone, but also the self-managed schools and hospitals created by the Conservatives. Writing in next month's *ReNewal*, a quarterly journal of Labour politics, he praises the Tories for the effects of their breeding of quangos, if not their motives.

"Enforcing greater democracy on trade unions, devolving public housing provision through housing associations... for example... confer powers on actual communities..." he writes. "A modern democratic agenda has been made possible by the right's attack on the bureaucratic state, even if that was not its

purpose." This could be a test of how communitarian Mr Blair really is. He is famously not antipathetic to opt-out schools. He did promise the other day to renationalise the health service, but it is not clear that that means rebuilding its former structure. He favours elected local government, but is distancing himself from regional assemblies outside Scotland and Wales. What a muddle.

Mr Rustin has no doubts about what the people's party should say. "Rather than trying simply to redress the balance between market and state once more in favour of the state, it might now be more appropriate to argue that the 'middle sector', or non-profit provision, should be given more recognition," he says. "Some of the quasi-market reforms of the public sector might be turned to the good purposes of building an enhanced 'civil society'."

Edmund Burke himself, were he alive today, would surely have cheered. The revered Tory philosopher is the author of one of the most persistent contemporary Conservative clichés, the reference to "little platoons" of family, church, and parish. Blast! I should have asked professor Etzioni the killer question: "So what else is new?"

\* 120 from FREEPOST (SE 8466), London SE16 3ER

The tale of a top banker in virtual exile provides an insight into life in the new Russia. Chrystia Freeland reports

## The millionaire afraid to go home

In the genteel salon of the Park Lane Hotel in London, Vladimir Gusinsky, one of Russia's most powerful and most controversial magnates, is holding court. All afternoon, executives from the Moss group, Gusinsky's banking and media empire, have been wading their way through sedate clusters of English women sipping tea for a brief audience with their leather-jacketed chief, who is incongruously perched on a delicate pastel sofa in the middle of the room.

Conversation is punctuated by the ringing of sleek, black cellular phones. The table is strewn with unfinished packets of cigarettes, Marlboro for the men, Salem Menthol for the immaculately made up and coiffed women, most of whom have been permanently installed in homes in London or Spain.

This is the typically hearty atmosphere in which business life is conducted in Moscow, but transplanting the Russian free-for-all into a proper English setting, is an awkward business. That, at least, is the verdict of the crimson-coated waiter who has been impertinently summoned to Gusinsky's side.

When, in a commanding tone unimpeded by his heavily accented English, he tries to book a private dining room, the waiter offers an imaginative barrage of excuses. First, he warns, no rooms are available. When Gusinsky counters with a request for the private

banqueting hall, the waiter parries with a warning that there is a £250 surcharge for that room. No problem, says Gusinsky, informing his entourage in a furious Russian aside that the man is a fool to think he would be put off by a sum as trivial as £250.

The waiter, resigned to a further onslaught, begins to take booking details. But, to the man's scarcely veiled delight, Gusinsky refuses to select a set menu for the meal, pleading ignorance of his guest's taste. Now effusively apologetic, the waiter happily explains that the hotel cannot serve an à la carte meal in the banqueting room and suggests that Gusinsky look elsewhere.

It is an awkward moment for a man accustomed to fawning obeisance from Moscow restaurateurs, adept students of the service culture where one of their country's richest bankers, whose net worth is estimated at \$50m (£30.40m), is concerned. But it has been some time since Gusinsky last enjoyed the respectful attentions of Moscow waiters, and there appears to be little prospect that he will enjoy them in the near future.

It is one of the clearest signs that the Russian incarnation of capitalism is still rooted on treacherous ground, that Gusinsky, head of one of the country's top 10 banks and owner of a leading television station, newspaper and radio channel, is effectively in exile. Gusinsky, whose wife and young son are now shuttling between homes in London and Spain, would like to return to Moscow, but fears that if he does so now, he could be arrested.

On what grounds? "It is very simple to find a reason to arrest a man in Russia," he explains. "I could wake up tomorrow and be told that I drink the blood of young babies, or have been molesting teenage girls. Anything is possible."

The less fanciful cause of his informal exile is the open battle which has erupted between the Most banking group and a bardine faction in the Kremlin, the leaders of which include General Alexander Korzhakov, head of President Boris Yeltsin's personal guard and one of the president's most trusted and intimate friends. Korzhakov has not been seen

about expressing his animosity towards the Most group. The first overt attack, in an incident which sent a collective shudder through Russian business circles, came on December 2, when black-hooded members of Korzhakov's guard detained Gusinsky's private security forces and, without explanation, beat them for several hours at gunpoint.

Gusinsky has become unpopular with the president's men for a number of reasons. These include his close ties with Yuri Luzhkov, the powerful mayor of Moscow whose own struggle with the Kremlin is well-known.

In the eyes of the hardline security forces close to the Russian president, Luzhkov's web of alliances within Moscow financial circles, including, above all, his links with Most, have transformed the mayor from one of Yeltsin's staunchest allies into a potential rival. Indeed, such is the danger thought to be posed by Luzhkov that Yeltsin used the recent murder of a Russian television personality as an opportunity to undermine the Moscow mayor by sacking two top Moscow law enforcement officials.

The open battle those dismissals have provoked between Luzhkov and the Kremlin has further imperilled Gusinsky, whose bank got an initial start from handing the Moscow city bank accounts. Its headquarters are still located in Moscow's city hall.

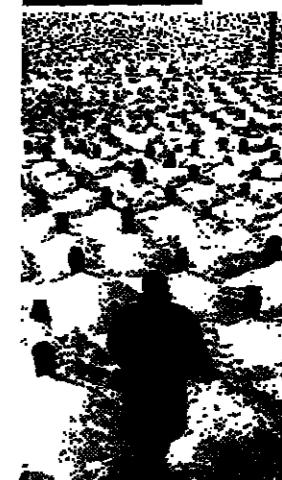
Gusinsky's relations with the Kremlin have been further complicated by the Most group's media interests, especially NTV, Russia's only independent television channel and a source of courageous, critical and graphic coverage of the Chechen war.

"The problems of Most may be connected with my friendship with Luzhkov," Gusinsky says, but he argues that "our problems are really a question of whether or not there will be censorship in Russia".

"The journalists of NTV took no one's side, they just showed what the camera showed," Gusinsky says of his station's coverage of Moscow's bloody, and still unfinished, campaign

Continued on Page V

### CONTENTS



Perspectives: Normal life in the Sarajevo war zone III

Fashion: Suits - bargains for men and the complete look for women IV & V

Sport: Michael Jordan - The Air reclaims his throne VI

Food: Philippa Davenport bones up on the basics VII



Travel: The rugged appeal of the Dordogne in winter XII

Books: Alan Clark on the kamikaze Tory IX

Arts	X, XI
Arts Guide	XIV, XV
Books	VII, IX
Bridge, Chess, Crossword	XV
Food	IV
Food & Drink	VII
Gardening	VI
How To Spend It	IV
Motoring	IV
Perspectives	II, III
Property	I, Separate Section
Science	II
Small Businesses	II
Sport	VI
Travel	XII, XIII

NEXT WEEK  
Making the sentence fit the crime

BREITLING  
1884



AEROSPACE

Altitude, speed and time are still shown in modern cockpits by means of a pointer or needle - precisely because this sort of indicator sweeping over a circular gauge is what a pilot sees best, particularly when he also has to keep track of countless other pieces of information. But digital readouts can for instance provide times to 1/100th of a second and alphanumerical data along with simplifying the setting of programmable functions.

These display principles contribute to the Aerospace's design excellence which, in turn, explains its selection as the personal instrument of many of the world's finest aerobatics teams.

INSTRUMENTS  
FOR PROFESSIONALS

AVAILABLE FROM SELECTED JEWELLERS THROUGHOUT  
GREAT BRITAIN AND IRELAND  
FOR YOUR NEAREST STOCKIST TELEPHONE 0171 637 5157

## PERSPECTIVES

Minding Your Own Business

# Why the puff is going out of the pipe industry

Clive Fewins meets a man who is observing the steady decline of a 'gentleman's trade'

**C**olin Leeson was working as an instrument engineer for the Conoco oil company in London when he became involved in the briar pipe business.

It happened in the most curious circumstances. A pipe-smoking colleague was informing the imminent demise of the only specialist company he knew of that could repair his favourite briar. Leeson jokingly suggested that they should buy the pipe company and run it as a spare-time enterprise.

The joke turned into something more serious when they looked more carefully at the company, Medway Pipe Repairs, of Chatham, Kent. It became a business proposition when the two discovered that the company had one remaining skilled employee, and that if they moved fast, they could buy the business and keep him on the books.

They did just that. The price, in 1974 was £125 - and there were only two conditions attached to the sale. The first was that they should change the name of the business, and the second that they would have to recoup and repay the £3,000 debts owing to the company.

Invicta Briars was quickly formed. All but £18 of the money owed was recovered and paid back to Medway Pipe Repairs before the old company was wound up. Leeson and his colleague continued to work at Conoco, while craftsman John Peak continued with the trade he had followed all his life in the same premises under a new name.

"Basically, being an engineer, I checked that the building was sound, as it dates from 1868, and made sure John Peak was willing to stay and teach us the craft. I knew we could afford the rent of £200 a year," Leeson said.

Within 12 months his colleague had pulled out for family reasons and Leeson found himself the sole owner of Invicta Briars. Three months later he left Conoco to run the business with the assistance of Peak and Colin Fromm, a school-leaver.

Fromm rapidly learned the customer base of specialist pipe and tobacco retailers to include a total of about 600 accounts," Leeson said.

"I used to reckon that in those days when I drove up to London with an estate car full of pipes, the stock in my vehicle would be worth more at retail value than the cargoes of the car transporter! It is nothing like that now."

The decline in the number of old-fashioned tobacconists, coupled with vigorous national anti-smoking campaigns, led Leeson to reduce his staff to 14 in the early 1980s - and by another seven in 1984 when the company lost contract work.

Nevertheless in 1988 he paid £28,000 for the stock, goodwill and customer lists of a small Lake District pipe repair company when the owner emigrated to Australia.

The decline, however, has been steady, and Leeson declares himself unsurprised at the turn of events.

"In my 20 years in the business I have seen numerous small competitors go under," he said. "There are now just five small manufacturers of

skills of turning pipe bowls from Peak, who retired five years later. Leeson contented himself with updating some of the company's antiquated machinery and importing pipe bowls and stems from Spain, Italy and north Africa. He also renovated much of the 32,000 sq ft brick building, a former Victorian charity school, and let the ground floor. By 1975 he had managed to buy the property.

Growth was good. By 1977 Leeson had 22 employees. In that year turnover was £120,000 - £20,000 more than today -



Colin Leeson of Invicta Briars

Annie Ashwood

## MINDING YOUR OWN BUSINESS

READERS ARE RECOMMENDED TO SEEK APPROPRIATE PROFESSIONAL ADVICE BEFORE ENTERING INTO COMMITMENTS

## TAX LOSSES

Do you have tax losses which become unsaleable due to recent Government legislation?

We could be interested in acquiring them (£1m+ only). Write to Box B3877, Financial Times, One Southwark Bridge, London SE1 9HL

## MAJORITY SHAREHOLDING IN SMALL WEST END PRIVATE BANK FOR SALE

Principals only. Replies to: Box B3632, Financial Times, One Southwark Bridge, London SE1 9HL

## BUSINESS SERVICES

## SAVE ON INT'L PHONE CALLS!

USA only 24p per min  
Australia 40p per min  
Ask about our low rates  
to other countries!  
**Callback**  
Freephone:  
Call: 0800-99-4016  
Fax: 0800-99-4015  
Call USA: 1-206-216-6261  
Fax USA: 1-206-216-6262  
410 2nd Ave N, Seattle, WA 98102, USA

## BUSINESSES FOR SALE

## MANUFACTURING FACILITY FOR LEATHER GOODS/BELTS

INCLUDING 2500 SQ FT OF FREEHOLD FACTORY.  
SOUTH COAST. £175K.

Write to Box B3876, Financial Times, One Southwark Bridge, London SE1 9HL

All Advertisement bookings are accepted subject to our current Terms and Conditions, copies of which are available by writing to:

The Advertisement  
Compliance Director,  
The Financial Times,  
One Southwark Bridge,  
London SE1 9HL  
Tel: +44 171 873 3233  
Fax: +44 171 407 5758

## SAVING 50% On International Phone Calls

UK-USA Save 50% - 17p/min  
UK-Europe Save 30% - 15p/min  
UK-Hong Kong Save 40% - 4p/min  
UK-Canada Save 50% - 22p/min  
UK-Australia Save 50% - 25p/min  
Service Co-ordinated To R.J. Reuter  
CALL NOW FOR DETAILS!  
Tel: 0181-490-5014  
Fax: 0181-568-2830  
Dial Int. Telecom UK

YOUR ADDRESS IN NEW YORK  
150 5th Avenue, Suite 1000, New York, NY 10010, USA

## DATA YOU CAN AFFORD STOCKS, CURRENCIES, BONDS, DERIVATIVES AND NEWS

Turbo provides global real-time financial data to your PC at the lowest possible cost. Our Windows system facilitates extensive interfacing with other Windows applications.

Available across Europe

Call Turbo on 0171 405 4041

SELECT 400 RETAIL BANKING SYSTEM

Robust Networked Package

Selected by three of the largest UK Building Societies

Complex Functionality

Multi-Currency

Multi-Language

On-line Signature Verification

A fully modular electronic platform for IT environments

John Orrison Control Software

TEL: 020 8262 0000

Fax: 020 8262 0048

MIRO & TIMER

Timing the Stock Market Right!

If this is what you want, you should try our stock market timing software MIRO & TIMER

MIRO, Millions. Allows personalised payoff

layout design, risk-control, analysis

and many more features.

INCLUDES FREE 12 MONTHS SUPPORT, FREE DEMO DISK

Price: £19.95. VISA & Mastercard

Order from: DARE Company, Darby

Wijnschenk

Tel: +41 21 622 0004 Fax: +41 21 622 3011

CMASOFT PAYROLL SOFTWARE

CMASOFT Approved. Includes April 1995 changes. Easy to use, flexible and powerful.

Payroll ledgers for over 10 years. Handles all calculations including Directors' CO. Net, SPT, PRMT, Periodic. Allows personalised payroll layout design, risk-control, analysis

and many more features.

INCLUDES FREE 12 MONTHS SUPPORT, FREE DEMO DISK

Price: £19.95. VISA & Mastercard

Order from: DARE Company, Darby

Wijnschenk

Tel: +41 21 622 0004 Fax: +41 21 622 3011

CONVERT YOUR DATA INTO INFORMATION

Specialists in windows-based Report Application Development using Object-Oriented techniques and programming tools (Microsoft Visual Basic, C++, Access and PowerBuilder). Implement EIS and general business systems with user-friendly graphical interfaces, quickly and cost effectively.

Object Management Ltd

Great Moreton

Hight Street

Warrington

Cheshire, WA1 2RL

UK Tel: 01925 505794 Fax: 01925 505795

SOLOTA, FREEPOST, London NW1 1SR

TEL: 081-683 9198

FAX: 081-385 3492

COMPUTER AIDED SALES & MARKETING

BriefThrough, a comprehensive sales &

marketing productivity system. Handles all

calculations including Directors' CO. Net,

SPT, PRMT, Periodic.

Manage accounts, customers, costing,

resource evaluation, notes, telephone scripts & much more! DEMO DISK available.

SOLOTA, FREEPOST, London NW1 1SR

TEL: 081-683 9198

FAX: 081-385 3492

SOLOTA, FREEPOST, London NW1 1SR

TEL: 081-683 9198

FAX: 081-385 3492

SOLOTA, FREEPOST, London NW1 1SR

TEL: 081-683 9198

FAX: 081-385 3492

SOLOTA, FREEPOST, London NW1 1SR

TEL: 081-683 9198

FAX: 081-385 3492

SOLOTA, FREEPOST, London NW1 1SR

TEL: 081-683 9198

FAX: 081-385 3492

SOLOTA, FREEPOST, London NW1 1SR

TEL: 081-683 9198

FAX: 081-385 3492

SOLOTA, FREEPOST, London NW1 1SR

TEL: 081-683 9198

FAX: 081-385 3492

SOLOTA, FREEPOST, London NW1 1SR

TEL: 081-683 9198

FAX: 081-385 3492

SOLOTA, FREEPOST, London NW1 1SR

TEL: 081-683 9198

FAX: 081-385 3492

SOLOTA, FREEPOST, London NW1 1SR

TEL: 081-683 9198

FAX: 081-385 3492

SOLOTA, FREEPOST, London NW1 1SR

TEL: 081-683 9198

FAX: 081-385 3492

SOLOTA, FREEPOST, London NW1 1SR

TEL: 081-683 9198

FAX: 081-385 3492

SOLOTA, FREEPOST, London NW1 1SR

TEL: 081-683 9198

FAX: 081-385 3492

SOLOTA, FREEPOST, London NW1 1SR

TEL: 081-683 9198

FAX: 081-385 3492

SOLOTA, FREEPOST, London NW1 1SR

TEL: 081-683 9198

FAX: 081-385 3492

SOLOTA, FREEPOST, London NW1 1SR

TEL: 081-683 9198

FAX: 081-385 3492

## PERSPECTIVES

*Colour*  
*inviva*

**I**t was no surprise that the UN flight to Sarajevo was late. Unproven, the United Nations Protection Force in former Yugoslavia, calls its air lifts into Bosnia "Maybe Airlines". Maybe you leave. Maybe you don't.

Officially, there was a ceasefire in Bosnia but as a journalist (P3 in UN-speak) I was not certain to get off the ground. Journalists are the lowest priority on these flights.

Ahead of me in the departure lounge at Zagreb airport were cans of beans, a battalion of Danish soldiers, UN staff and others related to the UN. Among the UN-related people was a German pop band, a group of Iranian musicians and an American, Lee Delong.

"I teach theatre clown to Sarajevo drama students," Lee told me. We chatted over a beer. "We need to feed the spirit of the people," she said, adjusting her thick-rimmed red spectacles.

We waited three hours and then, once on the aeroplane, I wore my bulky flak jacket and put my metal sky-blue UN helmet beneath my seat.

Sarajevo airport sits in no-man's land between the warring factions. We were ushered off the tarmac along narrow lanes of sandbags by French UN troops who control the airport. Behind high walls of mud in a car park, beside an armoured personnel vehicle, I hitched a lift in a UN land cruiser, a sophisticated truck.

We sped through the outskirts, past the depressing sight of rows and rows of pummelled houses and buildings. One, the office of the Sarajevo daily newspaper, Oslobođenje, towered above the rest like a weathered sandcastle. The paper has been produced every day

**What irks them, especially young people, is the lack of interest from the rest of Europe**

since the shelling of Sarajevo began in April 1992.

In spite of the destruction and carnage, the people in Sarajevo somehow continue their "normal" lives as best they can, with dignity. People are well-dressed. There seem to be few, if any, of the problems one might expect such as muggings or looting. Cinemas, theatres, cafés go on. You feel the vibrancy of the spirit in the people talking in groups on the street.

One thing that certainly irks them, especially young people, is the lack of interest from the rest of Europe. The young are especially cynical: they show little faith in politicians and think they will have to live like this for a long time.

Inside a white portable office at a UN compound called "The Residency", I found Major Sol, a UN military spokesman, under a screen tuned in to Music Television, the American channel. Opposite, washing hung on the balconies of shell-shattered apartment blocks.

When a shell lands in concrete, it creates a pattern similar to a blob of ink and it is a common sight - 11,000 people have been killed in Sarajevo.

Major Sol gave me a rapid briefing with the aid of a complicated map of front lines, enclaves and sectors. "Sarajevo is surrounded. To get out by road people must pass a Serb checkpoint. This is impossible. Serbs are here, here and here. This is where there are snipers, close to the Holiday Inn."

"The ceasefire is holding. Until December 1994 average firing incidents into the town were between 4,000 and 5,000 per day. There are 300,000 people living here and 90 per cent are dependent on UN aid."

The Major declined to confirm the existence of a tunnel beneath the Unprofor airport. Later, a Bosnian soldier told me that he had travelled through it, that it is 800m long and is used to transport black market luxury goods and people in and out of Sarajevo.

Twenty minutes' walk from the UN building I am looking for Pelda, 19 years old, a pale-faced Sarajevo with dark rings around his eyes, with whom I am staying. Pelda has hepatitis and regularly has blood taken to check his condition.

**T**he only thing I can remember about my first published article about fishing is how much I got paid for it; proof, you may feel, of a discreditable materialistic system of values.

The sum was £15, which at the time - now very distant - seemed quite reasonable. Several years later I wrote my second, for Britain's prime game fishing magazine, *Trout and Salmon*. It was about a giant trout, a plaster cast of which I had come across at a charity auction. It did a good deal of detective work into the circumstances of its capture, supplied a photograph, and was paid £25.

I can recall examining the cheque from various angles in the vain hope that I might have overlooked a digit.

Since then I have written very little for the specialist angling press, although, in all honesty, I can hardly claim to have been under severe pressure to do so. But I have always been, and remain, an assiduous buyer and hoarder of the magazines.

The habit began in youth, with a weekly dose of the *Angling Times*, and a crop of monthly publications, of which *Creef*, founded by Bernard Venables, was incomparably the

## Fishing Hooked on magazines

**Tom Fort casts his eye along the newsagents' shelves, seeking the ideal publication**

best. Its standards have not been touched in the 25 years since its demise. Venables spent money on the best writers, photographers and illustrators; made quality his watchword; and, naturally enough, *Creef* went bust.

Others came and went - *Angling*, *Fishing*, *Fisherman*, *International Flyfisher* - their names toll like a distant bell. *Trout* and *Salmon*, which was established long before I dug my first worm, saw them all off.

Now, I admire the professionalism of those who produce *T and S*, and the game fishing world would be much the poorer without it. But its formulae - prescribed, I would guess, by the Eman organisation which owns it - is one which I find faintly dispiriting.

Its ethos is determinedly anti-elitist, its emphasis on quantity in preference to quality. Its measly payments mean that much of the

writing is stale and repetitive, or amateurish. Its good writers - Jon Beer, David Barr and Charles Jarman among them - shine brightly among much which is mediocre.

There have been challengers to *T and S*. One - *Salmon, Trout and Seawater* - placed much more of a premium on its writers, such as David Profumo, Michael Wigan, Gordon Mackie and the excellent Bill Currie. It has survived numerous vicissitudes and is still gallantly appearing.

But another, which at the time of its launch a couple of years ago seemed far more threatening, has gone. It was *Salmon and Trout* (original titles, are they not?) which promised much in terms of quality and production values, paid decently (yes, that's why I wrote for it), but came nowhere near knocking *T and S* off its perch, and has now been quietly put to bed.

It came out bi-monthly, which is

unusual here but the norm in the US, where multitudes of anglers are served by a marvellous diversity of smart and intelligent publications. The Americans take their fishing, and their fishing journalism, extremely seriously, with a manic fervour in conservation and ethical matters.

The magazine I know best is *Fly Fisherman*, because it is the most readily available in the UK. The

articles are long and thoughtful, the photographs superb, and the mixture is leavened by a regular dose of wisdom from the incomparable Nick Lyons.

Production values in the US are high, as exemplified by the amazing *Wild Steelhead and Atlantic Salmon*, which is as big as the top of my desk, packed with immensely long and lavishly illustrated articles, and costs a staggering \$8 for each of its four annual issues.

I have also seen two impressive-looking continental periodicals: the German *Fliegenfischen*, and the Scandinavian *Flugfiske Norden*. Each is elegantly produced, though I fear I cannot vouch for the quality of the journalism.

Some of the best writing in the UK is to be found not in the mainstream commercial sector, but in the byways. The Journal of the Fly-fishers Club, for instance, has over the century presented some of the

most original work by the great men - from Skues, Marston and Sheringham, to Kingsmill Moore, Brian Clarke and Conrad Voss Bark. I have greatly enjoyed a recent *Journal of the Grayling Society*, which had a diverting account of adventures in Russian Karelia, and a fascinating investigation of the flies devised by a 16th century Swiss, Konrad Gesner.

Another idiosyncratic and stimulating periodical is *The Green Highlander*, which calls itself "a thinking fisherman's guide to travel and conservation", and combines opinionated and refreshing writing with sound advice on fishing worth seeking out - and fishing is a neat trick.

The newspaper seems to be without proof-readers. The computer's spell-check button is not enough. A report on a fashion show held in Bryant Park read that some seats behind the one reserved for the 6ft 6in tall Tommy Tune had to be removed "to deal with his length situation". Does that not qualify as oxymoron - that being one of the new buzz words? Except that "oxy" as a prefix means sharp, keen or acute.

The errors in the Times, sometimes called "misstatements", give the august journal the one thing that once set it apart from most other American dailies - its own comic section. It is called "Corrections" and appears every day.

A recent favourite read: "Because of a transmission error, the Personal Computer column in Science Times yesterday... also misspelled the address for a treatise on how to cause grapes to explode in flames in a microwave oven. It is <http://www.chilamucc.edu/pmcchaud/grape/>".

## Return to fat city

**Americans will ask a returning native, in this case one who has been working in Rome for 36 years, about his expected "cultural shock". I've had none, perhaps because Italy, like the rest of Europe, has become, alas, more *americanized* with each creeping year. And, culturally, in the pre-1984 sense of that word, New York is not a shock but a bountiful delight.**

But when told that the returnee's real shock is at the number of obese New Yorkers under, say, 35, no one knew what I was talking about. Then, two months ago, a national health survey confirmed that in the last decade the number of Americans grossly overweight had increased by 8 per cent - or about one-third of the adult population, "though the average American consumes fewer calories today than 10 years ago". (How do they know that? How many people are capable of calorie-counting?)

Perhaps I should have been prepared for the obesity, since a great many American tourists seen in Rome were grotesque, and many others refused to get out of their tour coaches to walk up the steps of a museum or church. The last time I was in Venice, April 1993, a US Navy ship was docked not far off St Mark's Square. The ship's sailors, ashore in mufli - that is, dressed exactly like their Italian coevals - were instantly recognised as Yanks by their girth.

"New York never sleeps" is one of the slogans and fair enough. But New Yorkers seem never to stop eating and drinking. On the subway people whose bottoms cannot fit into the bucket seats, and who appear to have dual air-bags inflated and crammed into their slacks, are usually sipping some beverage from a container concealed inside a brown bag. They are ambulant eaters, on the footpaths, in lifts, and at their office desks.

**The ship's sailors were instantly recognised as Yanks by their girth**

Eating, among the essential natural acts, has always been one of us occasionally do out in the open. And, like some other natural acts, it is not an attractive sight. Moving about New York, these public eaters surround me, encompass me. And, it seems, there is none of the jollity once associated with one's dearest fat friend of old. These oblivious public eaters seem, rather, to be souls driven and morose.

□ □ □

The New York Times is as imposing as ever and is my morning imposition as well. All those pages. And the American language for better or worse has found the welcome mat spread out at the Times editorial offices.

In former times, that newspaper did a contortionist act to avoid new idiomatic words or phrases or slang. Now they crop up routinely in the Times headlines. Some new words or usages still grate.

With "hopefully" so wrongly used, it is now a hopeless battle - on both sides of the Atlantic. Even Princess Diana, in her formal announcement of her withdrawal from public duties, used the h-word. Or was that intended as a sideswipe at her mother-in-law who remains, after all, the Keeper of the Queen's English?

But the silliest breakthrough is *perceive*. No one any longer "sees", foresees, considers, holds an opinion, thinks or judges" anyone or anything if they instead "perceive" that object. A New York Times/CBS opinion poll reported: "Perception on the national economy raises Clinton's ratings." A Times review of the biography of the great Broadway lyricist, Lorenz Hart, concluded "he became a great big success and then *imploded* on himself". A neat trick.

The

newspaper seems to be without proof-readers. The computer's spell-check button is not enough. A report on a fashion show held in Bryant Park read that some seats behind the one reserved for the 6ft 6in tall Tommy Tune had to be removed "to deal with his length situation". Does that not qualify as oxymoron - that being one of the new buzz words? Except that "oxy" as a prefix means sharp, keen or acute.

The

errors in the Times, sometimes

called "misstatements", give

the

august

journal

the

one

thing

that

once

set

it

apart

from

most

other

American

dailies

its

own

comic

section

It

is

called

"Correc-

tion

s"

and

appears

every

day

.

George Armstrong



Symbolic journey: a truck fitted with rail track wheels takes a short trip through the suburbs of Sarajevo last month

## Normal life in a war zone

**Christopher Eales is surprised and inspired by the spirit of the people during a visit to Sarajevo**



Sarajevo cemetery: 11,000 have been killed in the city since the fighting began

**People are so desperate for gas they even dig up roads to connect themselves to the supply**

city has all but been destroyed, but the spirit of Sarajevans has not.

Women wear make-up and dress well. There are coffee bars, a cinema, theatres, a drama school, art academy and no beggars. Queues of well-dressed people indicate that the theatre is alive and well.

In Marsala Tito we passed the outdoor market where 60 people

died in February 1994 when a shell exploded there. Now, wooden tables

are covered with oranges, lemons,

apples, meat and potatoes. But the food is expensive.

Some people have jobs, but salaries are low; some sell their furniture to raise money for food. We watched one man climb soft to saw at the remains of a tree for firewood, a precious commodity that can easily be turned into cash.

Zagreb, the Croatian capital, is 30km from Sarajevo. The UN headquarters is surrounded by a long pavement. Bricks, each one representing a death, are placed by local people on the pavement. It is a mark of UN ineffectiveness, the locals say. It is certainly one of the few visible signs of war in the Croatian capital.

Zagreb remains an elegant city. Trams weave past well-stocked shops, cafés, bars and nightclubs.

The only other reminders that you are less than 50km from Bosnia are the occasional glimpses of soldiers.

I asked Michael Williams, chief spokesman for the UN in the former Yugoslavia, when the UN would be leaving. "As of March 31 we will not have a job to do," he said.

Then his map of the former Yugoslavia fell off the wall.

## HOW TO SPEND IT / FASHION / MOTORIZING

**Lucia van der Post cries 'bello' at the latest in men's suits and reports on a popular furnishings chain**

# The Italian M&S job

**N**o one who has ever bought a suit at Marks and Spencer will be surprised to learn that one suit in every five in the UK is sold by the company.

Apart from its buying power and expertise, and attractive prices and excellent value, M&S sold jackets and trousers separately early on. This policy not only meant that it was much easier to accommodate odd sizes but encouraged and enabled men to buy two pairs of trousers for every jacket – thus giving the jacket a longer life. Today M&S sells roughly a quarter more suit trousers than jackets.

The good news, though, is that while, for some time, M&S has had a line of better quality suits that sold for around £250 each, they were aimed at traditional, classically conservative men.

In the past, anyone wanting more adventurous fabrics, or slightly trendier lines, had to buy at the cheaper end of the range which meant less fine fabrics and less hand-finishing.

All this has changed and, this weekend in three main stores – Marble Arch, Camberley and Manchester – are the first of a very high quality, highly fashionable range of what it tactfully calls "Italian" styled suits.

"Italian" styled is M&S speak for heavily "inspired" by the likes of Armani and Valentino. But as they do, indeed, come from Italy – from GFT, Gruppo Finanziario Tessile, to be precise – it is hard to quibble.

GFT is a serious player in the Italian fashion manufacturing business and renowned for making for Armani and many other big names.

M&S went to GFT because, according to Peter Reuss, the chain's selector for men's suits, it is "quite simply the best in the world at what it does".

It offers a very high-degree of hand-finishing, immense expertise and great attention to the construction of the suit, the bits that cannot be seen.

GFT, it seems, is keen to draw an analogy between suits and cars – its suits, it believes, pack the same sort of punch as

a BMW. "From the outside they may look a little like other people's but it is what lies under the bonnet that really counts."

"Under the bonnet" lie horsehair chest pieces (instead of the usual canvas) which gives

proper button-holes on the sleeve, a fob pocket on the trousers and profile stitching.

Although the outward shape of this new range looks self-evidently softer, more relaxed, more "Italian" (with bigger lapels, longer jackets, some double-breasted with four buttons, not six, some single-breasted but all being notable for a certain relaxed air) it is not until you feel the fabric that the full extent of the difference between the new suits and the old can be appreciated.

Fabric technology is changing rapidly but looks and feel are hard to describe, which is no doubt why the fabric industry has resorted to describing these suits as having "a dry feel" – the feel is indeed dry but it is the combination of a certain crispy softness of look and comfort that makes them remarkable.

There are four good business suits in the range – a single-breasted navy rib, a single-breasted blue/grey stripe, double-breasted olive herringbone and a double-breasted grey pinstripe. All are made from the "dry

feel" fabric, 85 per cent wool, 15 per cent nylon, and all cost £250 each. For dress-down Friday (a big new market) there are two different jackets (£150 each) and toning trousers (£150 each) and toning trousers (£150 each).

To complete the quality look, leather classic shoes are available at £75 and leather belts at £16.

A suppleness, enabling the jacket to move without creasing or puckering. As the new suits are made of fabrics that feel as light as a drifting snowflake – without any suggestion of limpness – good linings and facings are vital.

There are also many of the marks of the hand-made suit –

hand-finishing, immensity of work and great attention to the construction of the suit, the bits that cannot be seen.

GFT, it seems, is keen to draw an analogy between suits and cars – its suits, it believes, pack the same sort of punch as

a BMW. "From the outside they may look a little like other people's but it is what lies under the bonnet that really counts."

"Under the bonnet" lie horsehair chest pieces (instead of the usual canvas) which gives

proper button-holes on the sleeve, a fob pocket on the trousers and profile stitching.

Although the outward shape of this new range looks self-evidently softer, more relaxed, more "Italian" (with bigger lapels, longer jackets, some double-breasted with four buttons, not six, some single-breasted but all being notable for a certain relaxed air) it is not until you feel the fabric that the full extent of the difference between the new suits and the old can be appreciated.

Fabric technology is changing rapidly but looks and feel are hard to describe, which is no doubt why the fabric industry has resorted to describing these suits as having "a dry feel" – the feel is indeed dry but it is the combination of a certain crispy softness of look and comfort that makes them remarkable.

There are four good business suits in the range – a single-breasted navy rib, a single-breasted blue/grey stripe, double-breasted olive herringbone and a double-breasted grey pinstripe. All are made from the "dry

feel" fabric, 85 per cent wool, 15 per cent nylon, and all cost £250 each. For dress-down Friday (a big new market) there are two different jackets (£150 each) and toning trousers (£150 each).

To complete the quality look, leather classic shoes are available at £75 and leather belts at £16.

A suppleness, enabling the jacket to move without creasing or puckering. As the new suits are made of fabrics that feel as light as a drifting snowflake – without any suggestion of limpness – good linings and facings are vital.

There are also many of the marks of the hand-made suit –

hand-finishing, immensity of work and great attention to the construction of the suit, the bits that cannot be seen.

GFT, it seems, is keen to draw an analogy between suits and cars – its suits, it believes, pack the same sort of punch as

a BMW. "From the outside they may look a little like other people's but it is what lies under the bonnet that really counts."

"Under the bonnet" lie horsehair chest pieces (instead of the usual canvas) which gives

proper button-holes on the sleeve, a fob pocket on the trousers and profile stitching.

Although the outward shape of this new range looks self-evidently softer, more relaxed, more "Italian" (with bigger lapels, longer jackets, some double-breasted with four buttons, not six, some single-breasted but all being notable for a certain relaxed air) it is not until you feel the fabric that the full extent of the difference between the new suits and the old can be appreciated.

Fabric technology is changing rapidly but looks and feel are hard to describe, which is no doubt why the fabric industry has resorted to describing these suits as having "a dry feel" – the feel is indeed dry but it is the combination of a certain crispy softness of look and comfort that makes them remarkable.

There are four good business suits in the range – a single-breasted navy rib, a single-breasted blue/grey stripe, double-breasted olive herringbone and a double-breasted grey pinstripe. All are made from the "dry

feel" fabric, 85 per cent wool, 15 per cent nylon, and all cost £250 each. For dress-down Friday (a big new market) there are two different jackets (£150 each) and toning trousers (£150 each).

To complete the quality look, leather classic shoes are available at £75 and leather belts at £16.

A suppleness, enabling the jacket to move without creasing or puckering. As the new suits are made of fabrics that feel as light as a drifting snowflake – without any suggestion of limpness – good linings and facings are vital.

There are also many of the marks of the hand-made suit –

hand-finishing, immensity of work and great attention to the construction of the suit, the bits that cannot be seen.

GFT, it seems, is keen to draw an analogy between suits and cars – its suits, it believes, pack the same sort of punch as

a BMW. "From the outside they may look a little like other people's but it is what lies under the bonnet that really counts."

"Under the bonnet" lie horsehair chest pieces (instead of the usual canvas) which gives

proper button-holes on the sleeve, a fob pocket on the trousers and profile stitching.

Although the outward shape of this new range looks self-evidently softer, more relaxed, more "Italian" (with bigger lapels, longer jackets, some double-breasted with four buttons, not six, some single-breasted but all being notable for a certain relaxed air) it is not until you feel the fabric that the full extent of the difference between the new suits and the old can be appreciated.

Fabric technology is changing rapidly but looks and feel are hard to describe, which is no doubt why the fabric industry has resorted to describing these suits as having "a dry feel" – the feel is indeed dry but it is the combination of a certain crispy softness of look and comfort that makes them remarkable.

There are four good business suits in the range – a single-breasted navy rib, a single-breasted blue/grey stripe, double-breasted olive herringbone and a double-breasted grey pinstripe. All are made from the "dry

feel" fabric, 85 per cent wool, 15 per cent nylon, and all cost £250 each. For dress-down Friday (a big new market) there are two different jackets (£150 each) and toning trousers (£150 each).

To complete the quality look, leather classic shoes are available at £75 and leather belts at £16.

A suppleness, enabling the jacket to move without creasing or puckering. As the new suits are made of fabrics that feel as light as a drifting snowflake – without any suggestion of limpness – good linings and facings are vital.

There are also many of the marks of the hand-made suit –

hand-finishing, immensity of work and great attention to the construction of the suit, the bits that cannot be seen.

GFT, it seems, is keen to draw an analogy between suits and cars – its suits, it believes, pack the same sort of punch as

a BMW. "From the outside they may look a little like other people's but it is what lies under the bonnet that really counts."

"Under the bonnet" lie horsehair chest pieces (instead of the usual canvas) which gives

proper button-holes on the sleeve, a fob pocket on the trousers and profile stitching.

Although the outward shape of this new range looks self-evidently softer, more relaxed, more "Italian" (with bigger lapels, longer jackets, some double-breasted with four buttons, not six, some single-breasted but all being notable for a certain relaxed air) it is not until you feel the fabric that the full extent of the difference between the new suits and the old can be appreciated.

Fabric technology is changing rapidly but looks and feel are hard to describe, which is no doubt why the fabric industry has resorted to describing these suits as having "a dry feel" – the feel is indeed dry but it is the combination of a certain crispy softness of look and comfort that makes them remarkable.

There are four good business suits in the range – a single-breasted navy rib, a single-breasted blue/grey stripe, double-breasted olive herringbone and a double-breasted grey pinstripe. All are made from the "dry

feel" fabric, 85 per cent wool, 15 per cent nylon, and all cost £250 each. For dress-down Friday (a big new market) there are two different jackets (£150 each) and toning trousers (£150 each).

To complete the quality look, leather classic shoes are available at £75 and leather belts at £16.

A suppleness, enabling the jacket to move without creasing or puckering. As the new suits are made of fabrics that feel as light as a drifting snowflake – without any suggestion of limpness – good linings and facings are vital.

There are also many of the marks of the hand-made suit –

hand-finishing, immensity of work and great attention to the construction of the suit, the bits that cannot be seen.

GFT, it seems, is keen to draw an analogy between suits and cars – its suits, it believes, pack the same sort of punch as

a BMW. "From the outside they may look a little like other people's but it is what lies under the bonnet that really counts."

"Under the bonnet" lie horsehair chest pieces (instead of the usual canvas) which gives

proper button-holes on the sleeve, a fob pocket on the trousers and profile stitching.

Although the outward shape of this new range looks self-evidently softer, more relaxed, more "Italian" (with bigger lapels, longer jackets, some double-breasted with four buttons, not six, some single-breasted but all being notable for a certain relaxed air) it is not until you feel the fabric that the full extent of the difference between the new suits and the old can be appreciated.

Fabric technology is changing rapidly but looks and feel are hard to describe, which is no doubt why the fabric industry has resorted to describing these suits as having "a dry feel" – the feel is indeed dry but it is the combination of a certain crispy softness of look and comfort that makes them remarkable.

There are four good business suits in the range – a single-breasted navy rib, a single-breasted blue/grey stripe, double-breasted olive herringbone and a double-breasted grey pinstripe. All are made from the "dry

feel" fabric, 85 per cent wool, 15 per cent nylon, and all cost £250 each. For dress-down Friday (a big new market) there are two different jackets (£150 each) and toning trousers (£150 each).

To complete the quality look, leather classic shoes are available at £75 and leather belts at £16.

A suppleness, enabling the jacket to move without creasing or puckering. As the new suits are made of fabrics that feel as light as a drifting snowflake – without any suggestion of limpness – good linings and facings are vital.

There are also many of the marks of the hand-made suit –

hand-finishing, immensity of work and great attention to the construction of the suit, the bits that cannot be seen.

GFT, it seems, is keen to draw an analogy between suits and cars – its suits, it believes, pack the same sort of punch as

a BMW. "From the outside they may look a little like other people's but it is what lies under the bonnet that really counts."

"Under the bonnet" lie horsehair chest pieces (instead of the usual canvas) which gives

proper button-holes on the sleeve, a fob pocket on the trousers and profile stitching.

Although the outward shape of this new range looks self-evidently softer, more relaxed, more "Italian" (with bigger lapels, longer jackets, some double-breasted with four buttons, not six, some single-breasted but all being notable for a certain relaxed air) it is not until you feel the fabric that the full extent of the difference between the new suits and the old can be appreciated.

Fabric technology is changing rapidly but looks and feel are hard to describe, which is no doubt why the fabric industry has resorted to describing these suits as having "a dry feel" – the feel is indeed dry but it is the combination of a certain crispy softness of look and comfort that makes them remarkable.

There are four good business suits in the range – a single-breasted navy rib, a single-breasted blue/grey stripe, double-breasted olive herringbone and a double-breasted grey pinstripe. All are made from the "dry

feel" fabric, 85 per cent wool, 15 per cent nylon, and all cost £250 each. For dress-down Friday (a big new market) there are two different jackets (£150 each) and toning trousers (£150 each).

To complete the quality look, leather classic shoes are available at £75 and leather belts at £16.

A suppleness, enabling the jacket to move without creasing or puckering. As the new suits are made of fabrics that feel as light as a drifting snowflake – without any suggestion of limpness – good linings and facings are vital.

There are also many of the marks of the hand-made suit –

hand-finishing, immensity of work and great attention to the construction of the suit, the bits that cannot be seen.

GFT, it seems, is keen to draw an analogy between suits and cars – its suits, it believes, pack the same sort of punch as

a BMW. "From the outside they may look a little like other people's but it is what lies under the bonnet that really counts."

"Under the bonnet" lie horsehair chest pieces (instead of the usual canvas) which gives

proper button-holes on the sleeve, a fob pocket on the trousers and profile stitching.

Although the outward shape of this new range looks self-evidently softer, more relaxed, more "Italian" (with bigger lapels, longer jackets, some double-breasted with four buttons, not six, some single-breasted but all being notable for a certain relaxed air) it is not until you feel the fabric that the full extent of the difference between the new suits and the old can be appreciated.

Fabric technology is changing rapidly but looks and feel are hard to describe, which is no doubt why the fabric industry has resorted to describing these suits as having "a dry feel" – the feel is indeed dry but it is the combination of a certain crispy softness of look and comfort that makes them remarkable.

There are four good business suits in the range – a single-breasted navy rib, a single-breasted blue/grey stripe, double-breasted olive herringbone and a double-breasted grey pinstripe. All are made from the "dry

feel" fabric, 85 per cent wool, 15 per cent nylon, and all cost £250 each. For dress-down Friday (a big new market) there are two different jackets (£150 each) and toning trousers (£150 each).

To complete the quality look, leather classic shoes are available at £75 and leather belts at £16.

A suppleness, enabling the jacket to move without creasing or puckering. As the new suits are made of fabrics that feel as light as a drifting snowflake – without any suggestion of limpness – good linings and facings are vital.

There are also many of the marks of the hand-made suit –

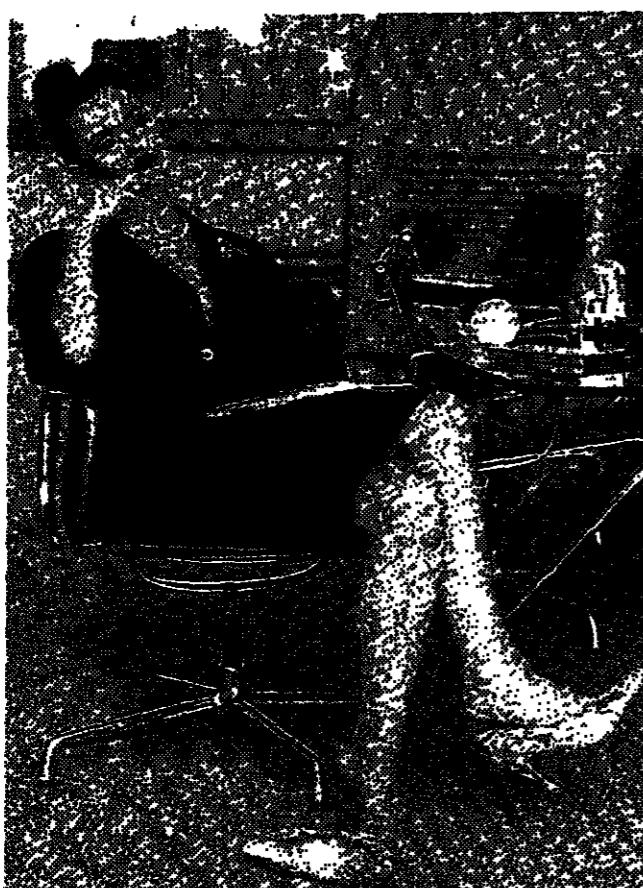
hand-finishing, immensity of work and great attention to the construction of the suit, the bits that cannot be seen.

## FASHION

# An old favourite for a sexy new style



Honey silk and wool jacket, £282; skirt, £146, both from Caroline Charles, Beauchamp Place, SW1, New Bond Street, W1 and Amersham, and Hoopers of Cheltenham. Printed satin blouse, £79 from Whistles branches. Earrings, £22; ring, £28, both from Butler and Wilson, South Molton Street, W1 and Fulham Road, SW3. Tights from Fogal, New Bond Street, W1. Glasses by Kirk Originals, £30 from Harrods Way In, Knightsbridge, SW1. Snakeskin bag, £225 from Anya Hindmarch, Walton Street, SW1. Desk accessories from selections at Tiffany, Old Bond Street, W1 and Oggettia, Fulham Road, SW3.



Charcoal linen suit, £265 from MaxMara, Sloane Street, SW1. Belt by Otto Glanz as above. Snakeskin shoes, £225 to order at Gina, Sloane Street, SW1. Pearls by Cobra and Bellamy, £257 from Dioriki and Jones, Regent Street, W1. Brooch, £98, and bracelet, £48, both from Butler and Wilson. Lace corset by Gossard, £21.99, from Fenwick and House of Fraser.



Dogtooth wool belted jacket, £330; black A-line skirt, £280, both from Yves St Laurent. Hat by Prudence, £405 from Herbert Johnson, New Bond Street, W1. Black patent bag, £365, from Gucci, Old Bond Street, W1 and Sloane Street, SW1.

## The millionaire afraid to go home

Continued from Page I

to subdue the breakaway Chechen republic. "But the Russian custom is to create problems for those who displease you and NTV has displeased some very powerful people in Russia."

The gangland-style assassination of one of Russia's most prominent television journalists lends tragic support to Gusinsky's contention that the principal battle in Russia today is for control of the airwaves.

"The mass media and control over it and its financing are the key questions," says Gusinsky. "A fight for control over the mass media is underway right now in Russia and this

fight is the first stage of the parliamentary and presidential elections (scheduled, respectively, to take place in December 1995 and June 1996.)

That is a fight in which Gusinsky, in spite of his half-hearted effort to rein in a naturally flamboyant personality and maintain a lower profile, is unavoidably embroiled and one which has lined him up against some of the most powerful political figures in Russia.

Professor Richard Pipes, a Harvard professor of Russian history, argues that Russia's Achilles heel, since its inception as a state, has been its failure to develop an economic and social class able to function independently of government. Whether by default or by design, Gusinsky is the first businessman in post-communist Russia to challenge the

state's predominance.

The Moscow financial community, exquisitely sensitive to the country's political winds, is well aware of this. Some bankers, who Gusinsky derisively but accurately describes as the "court bankers," are putting as much distance as possible between themselves and their tainted colleague.

As the head of one of the "court" banks, who is actually asking the government to take a direct stake in his business, told me: "Russia is special, business here cannot exist without the state." He went on, untroubled by the apparent contradiction, to rebuke Gusinsky, "for trying to drag Moscow banks into politics."

Avril Groom finds that the big hit in chic circles is the sharply-tailored suit from the 1950s and the accessories that go with it

**T**he new weapon in the wardrobe of the woman out to impress is the suit. Not, you understand, any old suit but what the French call a *tailleur*, with its overtones of couture and the elegance of the New Look of the early 1950s. It has a wickedly nipped-in jacket, sharp shoulders, crisp lapels and a superficially demure knee-length skirt. It is supremely ladylike yet, at once devastatingly efficient and cut to show every curve, it packs a powerful sexual punch.

This suit also requires a more *savoir* approach to grooming than most women have ever adopted in the workplace. Make-up, hair, nails and accessories need careful thought. This has been the gripe of fashion editors since the New Look appeared on the catwalks last year. Low heels, minimal make-up and casual hair are quick and comfortable and women had got used to them. Will they want to change?

The answer is a resounding yes. This look means business and will be even bigger news by the autumn. John Galliano has defined the style better than anyone with his suits of puppy-tooth cloth.

As women's careers flourish they have devised ways of dressing to cope with these new roles. Their sharply-defined shoulders and lightly-padded peplums both give the illusion of a small waist: curved-seamed skirts emphasise the behind and lengthen the leg.

Reaction has been immediate, in spite of the £1,700 price-tag. A la Mode sold its allocation in two hours. Liberty's were spoken for before they arrived. Both Joseph and Harvey Nichols, where Galliano forms the backbone of the new Glamour department, have already re-ordered.

Suzie Faux, who has advised working women individually and on a corporate basis for more than 20 years from her Wardrobe shops, says her customers are more excited about this look than anything she can remember.

"They know they look highly respectable but the curvy cut makes them feel sexy," she says. "In reality the shapes are more body-conscious than they were in the 1950s, because of modern fabric technology and women's better-toned figures. The trick is to make the look individual and relevant, not just a pastiche of the past."

This is at first sight not easy, with the media full of daunting, time-consuming Hollywood-inspired details such as slick eyeliner, piled-up hair and six stilettos. But even in the 1950s these were the ideals to which ordinary women aspired but by no means all attained.

Erika Frei, a perennially chic fashion PR, was then a busy young executive with Jagger.

"Fewer women worked but those who did had little more time than now," she says. "I never took more than 10 minutes to get ready. Make-up was different rather than more complex: drawing eyeliner quickly becomes as routine as blending shadow."

In a sense, the New Look completes a fashion cycle. Not long after the original came the mini-skirt, then hipsters and the descent into anti-dress that culminated in grunge, as the V&A's Street Style exhibition so graphically shows. Deconstruction, which used elements of period dress in new, if anarchic, ways, was the link back to treating vintage-inspired styles in the current, far more literal, manner.

The dressed-up look excites, Faux believes, "because for most working women it is new. They cannot remember the original. They are prepared to try it because it is based on the suit which is already the heart of their wardrobe - 80 per cent of ours go to working women."

If your boardroom coup is



John Galliano's definitive suit in dogtooth wool jacket with padded peplum, £1,049; skirt, £285, both by John Galliano from Joseph, Brompton Cross, SW3, Harvey Nichols, Knightsbridge, SW1, A la Mode, Hans Crescent SW1; Liberty, Regent Street W1; Harrods, Knightsbridge SW1; Room 7 of Ladies and Firenze of Dublin. Shoes by Castaner, £189 from Harrods. Earrings by Cobra and Bellamy, £25. Handbag, £410 from Anya Hindmarch, Walton Street, SW1. Tank Allonge watch, £2,600 from Cartier

going to be couture, it is wise to have a strategy for getting the look right. Here we analyse each component, with simple guidelines for making it chic and discreetly sexy, rather than a bad copy of a 1950s fashion spread.

**THE SUIT**  
Faux says: "Spend as much as you can because the cut is crucial."

The inspiration is made-to-measure, so research to find the best fit. The curviest, such as Galliano, Chanel, Vivienne Westwood, should be treated as dresses; think what will go over rather than under them. This could be a long, light mac or short coat, both swing-cut.

For undies, modern light-weight underwired bodies or basques, like Gossard's Glossies body (£27.99) or smooth basque (£24.99), give extra shape and insulation and if a lacy edge occasionally shows, so much the better. Under a low neckline, slip a soft satin blouse or a crisp white Miss Moneyenny-style shirt with revers. If you are not a size eight, lose inhibitions about your curves; they are meant to show and the best-cut suits accentuate the best, camouflage the negative.

Pencil skirts are not essential: a soft A-line can be more flattering.

**SHOES**  
Heels around 2-3in are more practical than real stilettos and look higher if thin - Stephanie Kelian has this shape. If you wear heels all day, invest in good ones which have better balance for comfort. Faux finds a thicker, 2in heel with a slightly rounded toe looks good and is practical for public transport. Or buy flat, round-toed pumps for travelling and keep your heels in the office.

**TIGHTS**  
No bare legs this summer, and no black opaques either, 20 denier is practical and slightly blushing-covering, the best colour a faint tan with a brown, rather than yellow, tint. Pales, seans and fishnets only for the slender of leg. Fogal, Orobiu, Aristoc and Pretty Polly have the right shades.

**BAGS**  
Soft shoulderbags look sloppy, tiny handbags look daft except

tion, applied with a damp sponge, gives an even, pale, matt finish, with Perfect Concealer on shadows and blemishes. Highlight the browbone, lid and inner eye-corner with pale shadow (01 Les Roses), contour the socket with smoky colour (33 Les Ecosses). Eye-liner is essential: for a modern, soft line, stretch eyelid from outer corner and starting from the inner corner at the lash-base, pull the line to the outside edge, sweeping the brush at 45 degrees to create a tick-up. Sensai's Precision Ink Eyeliner in black or brown is easy to apply.

Accentuate and elongate the eyebrow arch with pencil. Put mascara on top lashes only. Put powder soft blusher on cheekbones. Outline the lips with pencil, accentuating the top V. True red is tricky but if you love it, Chanel Rouge Star is classic. A slightly brown (Rouge Les Saisons 14) or orange tone (Les Carmes 01) is easier. Do not forget nails.

**HAIR**  
Stylist and lecturer Steven Carey suggests three easy-maintenance alternatives. All benefit from a very soft perm:

1. Short bob - tuck behind the ears and decorate with clips or slides.

2. Mid-length bob - pull up into combs at the side. Roll and pin round a small foam "doughnut" (Boots, £2.99) for added height. Set sides under, and from backwards, on large rollers (Self-stick, £2.95 for six from Boots) for soft waves. Lauren Bacall-style.

3. Long hair - use doughnuts to give body and make French pleats or chignons easy. Use mousse, or spray for fine hair, before setting.

**PERFUME**  
Fresh florals or outdoor ozones will not do, neither will a slam of 1980s power-perfume or an over-seductive Oriental. These clothes call for a rich but discreet, sophisticated scent with a nostalgic quality. If you feel a perfume is too strong, try its more subtle body lotion and soap.

**MISSES**  
This year's essential is to emphasise the waist. Narrow ones are easiest on the figure, add colour to a neutral outfit and can turn last year's somewhat assertiveness to your desk.

**HATS AND GLOVES**  
These are too much for every day but to stand out at a smart lunch, why not? To turn a suit from day into evening add a small cocktail hat.

**JEWELLERY**  
Faux's advice is minimal jewels and no big gilt earrings, but with very curvy styles, a single row of pearls, a diamante brooch or Art Deco-style marcasite can look good. Beware munificence with looser shapes.

**MAKE-UP**  
Roxanne New, who made up the model for our pictures with Le Teint Rico products, suggests a nostalgic but not extreme make-up.

Compact Powder Foundation  
**HERMÈS PARIS**



Gusinsky: no innocent in Russia's rough and tumble

To discover the many ways to tie an Hermès scarf and to view our new Spring/Summer collection, visit our boutique at 3 Royal Exchange EC3 on Friday 24th March from 10am to 6pm where scarf tying workshops will be taking place.

## SPORT AND GARDENING

## Rugby Union

# Fast forward for the likely lads

Derek Wyatt on two Bath men with pace and power

I first saw Victor Ubogu, the England prop, play at Oxford in a student game. He was then at Birmingham University. I was impressed with his speed off the mark unusual for a prop.

Over dinner recently he proudly told me that he had strained a thigh muscle trying to beat both the Underwood brothers, England's wingers, in short sprints during the England rugby team's training sessions in Lanzarote just after Christmas. In his dreams he sees himself in a chase for a try, outrunning both Jeremy Guscott, a pacey centre, and Rory Underwood to the touch-down.

I first saw Eric Peters, Scotland's back row discovery and a club-mate of Ubogu's at Bath, play at Oxford in another student game. He was then at Loughborough University. I was impressed with his nous. He was always where the ball was. He reminded me of Dean Richards, the England number eight, and could have qualified to play for either England or Scotland.

In due course, Ubogu returned to Oxford to study at the university, though quite how much studying he did is a matter for conjecture. Ubogu liked the good life. It was in Oxford that the first questions were raised about his mental strength: "Does he have it?" Observers would ask. "Does he have the staying power to go all the way?"

Peters went to Cambridge University to read law economy and he captained the side

to a win over Oxford.

Neither Ubogu nor Peters was naturally destined for the craft in the Bath second team. Yet this afternoon he wins his fourth cap for Scotland, for whom he qualifies through a grandparent. He seized the limelight with a try against Wales at Murrayfield two weeks ago, racing 50m to take a scoring pass.

This afternoon these two eminently likeable rascals will be on opposite sides at Twickenham. For Peters it will be a severe test of his international credentials.

On Monday, when I spoke to Ubogu, he was putting the finishing touches to a sports bar he is opening in London. On Monday when I tried to talk to Peters, I was told by the Scottish Rugby Union that they had told the players not to give interviews. How the game has changed.

Todays game is for the grand slam. Scotland believe that if they can attain parity or better in the lineouts and pass the ball wide, their faster back-row, including Peters, will be first to the tackle and therefore better able to sustain a movement that has broken down.

Two years ago Scotland lost heavily at Twickenham, but Craig Chalmers, their outside half, broke a leg that day. Scotland's fortunes declined after that match because Chalmers was thought over the hill. Now he is back and so are Scotland.

He is a fine playmaker and the match will be won either by him or by his opposite number, Rob Andrew.

Andrew may have trouble



Flying prop: Victor Ubogu takes off for Bath

adapting to the more expansive parts of Jack Rowell's game plan – you cannot teach an old dog new tricks – but you can never write him off.

England have learned new angles of running from the Australian rugby league team

that destroyed Great Britain in the second and third tests last year. Watch the way in which Kieran Bracken, the scrum half, and Andrew use the triangle of no-man's land between the outside half and the pack to set up the attacking runs of

the back-row forwards Tim Rodber and Ben Clarke.

An England victory would bring a third grand slam in five years. It would signal that this team should be taken seriously for the world cup this summer.

ral tendency for the deck to bow upwards at both ends.

"When the sail trimmers call for more backstay and forestay tension, these boats bend like bananas," said Giovanni Belgrandi, of SP Technologies in Southampton, who has engineered several IACC yachts.

This can reduce the waterline length from a static 75ft to less than 74ft as the boat heads upwind. In traditional construction, however exotic the resins and carbon fibre materials used in the composite hull structure, the resistance comes from the hull's stiffness and strength, itself the enemy of lightness. Composites can be much stronger than steel but flexibility is not one of their virtues.

"It's not like a piece of steel where you just bend it," said Jim Pugh, a co-designer of *America* who was head-hunted to Sydney by the Australian group. "We push the envelope in every area we can. The loads are extremely high and it's always a constant battle to make the boat lighter, more high-performance," said Bertrand. "Sometimes there's a price to be paid."

More concretely, Jordan has been seen leaving closed door practices with his old Chicago Bulls, whom he led to three straight NBA championships before retiring abruptly, in the 1993 off-season. His former teammates reported that his shot was a bit rusty but that he looked fit – and every one of them wanted him back. Phil Jackson, the Bulls' coach, said:

"It's a reality, but it's still not a reality" – proving that he is probably the only coach in the NBA familiar with Beckett and Jordan.

The problem is that Jordan still has not announced that he is going to put on baggy shorts again. Speculation over the delay is endless and varied – that he is negotiating financial terms, or terms with the old commercial sponsors who quadrupled his final \$3.9m a year Bulls salary, or that he was trying to arrange it that he not play every game, or that he needs to be confident the Bulls would reach the play-offs.

The last is pretty much unanswerable. Though chugging along without him, losing as many as they win, the Bulls are far enough ahead of the eighth place contender for the Eastern Conference play-offs not to worry too much. But, without Jordan, they are given little chance of going very far against the Eastern likes of Orlando, the New York Knicks, Charlotte and Indiana, any more than they did in last

year's play-offs.

It is also a very unhappy team, mostly ascribed to the pouting Scottie Pippen, Jordan's great accomplice of the championship years. Pippen, a superstar himself, but rated, in a tart *Sports Illustrated* article, as symptomatic of a new breed of basketball "crying babies", objects to being the fourth highest paid player on the side. He does not like playing with Toni Kukoc, the Croat bought to fill the Jordan void. He once refused to play the final seconds of a close game because the last shot was designed for Kukoc, not himself.

Pippen says the Bulls will trade him once the season is over – unless, of course, Jordan makes Pippen's retention a condition of return. It seems clear that not only did they play exquisitely together but that Jordan deflected much of the attention that might otherwise have come Pippen's way – and which he is ill-equipped to handle.

Still, even the return of the seven-time scoring champion, master of balletic dunks and

**Michael Jordan gave baseball an honourable effort and did not let the sport down**

feathery jump shots, incomparable defender, and superior passer, surely cannot guarantee Chicago another title (though it might scare the Knicks a bit). Having played without him for nearly two seasons, the Bulls will have to adapt to him again, which may take time.

Superstars can disrupt a good team's chemistry. The Houston Rockets, last season's title winners, were among the best again this year until they traded Otis Thorpe, the unspectacular but hardworking forward, to Portland for Clyde Drexler, whose moves, on his better days, are in Jordan's class. Houston lost six games in a row and still has not found real form again. Nor can superstars always rescue bad teams.

But the assumption is that sometime very soon the number 23 jersey hanging from the rafters of the Chicago stadium will be pulled down and that His Excellency will be back in the business to which he belongs. Which means we have to face another thing, too. He gave baseball an honourable effort, never shirking, always learning. He did not let the sport down, even if it did him. But hitting a curve ball has always been harder than a 360° turn, double-pumped slam dunk with tuck in traffic: even if only Michael Jordan could manage it.

## Sailing / Keith Wheatley

# Crash course in design

huge blow to our programme," admitted skipper John Bertrand after the catastrophe. Twelve years after becoming the first sailor to wrest the Cup from the Americans, at Newport in 1983, Bertrand's comeback was going like a dream until this happened.

"But don't forget that people and organisations get strength through adversity. I remember very clearly when we were 3-1 down in a best-of-seven series against Dennis Connor in 1983. We came back to fight again another day and that's how I feel now," said Bertrand.

Although *oneAustralia* has received a dispensation to continue racing with its older boat, there are other problems. Each challenger may only check in 46 sails for the entire regatta. Eleven of the team's best sails went to the bottom with the yacht. Requests to the US Navy, via Australian to

premier Paul Keating, that a mini-sub might dive down and retrieve the sails met with no response.

Next day, *oneAustralia* was due to sail against France.

Marc Pajot's team still had a slender hope, since dashed, of making the semi-finals. Refusing Bertrand's request for a postponement meant the French received five crucial points just for sailing around the racecourse alone.

It was a harsh call and one made largely on the advice of Pajot's advisor Harold Cudmore. "On the day of the sinking there was a wave of sympathy for them as individuals," said Cudmore who is credited in Bill Koch's new book on the 1992 Cup as largely responsible for *America's* win. "But then one thought, hang on! The Aussies have lost the technology bat-

tle, which is what the Cup is

all about. All through the early part of the regatta they took the gains of having an ultra-light boat. Now they've paid the price."

The most worrying thing for the *oneAustralia* campaign, and every other team in San Diego, is that they have no idea what caused the disaster.

"It's a nightmare. After a week I still wake up every morning and say 'Why?'" said *oneAustralia*'s designer Jim Pugh, 44. "She had sailed in much heavier conditions trialling off Queensland and was the most beautifully-built boat in terms of composites that I have ever seen."

There were several unusual factors on the day of the sinking. One was an ugly wave pattern, with a short 3-ft chop on top of the usual Pacific swell. The yachts crashed from crest to crest, imposing massive shock load-

ings on the hull. Several other teams had requested the race committee to call off the day's racing because of the sea-state but officials refused.

The second variable was a

problem with the port primary winch aboard *oneAustralia*. It winds in the sheet from the giant headsail. Because of the fault this rope was led to the smaller runner which further back near the steering position. Loads on the stern of the boat are already massive because the backstay coming down from the top of the 105ft mast is tensioned from here.

Forces of around 27,500lb are routine in America's cup racing, creating huge pressure for hull distortion. In simple terms, loads of around 50 tonnes (plus a shock factor of up to 50 per cent when the yacht falls off a wave) are trying to push the mast down into the boat, creating a natu-

ral tendency for the deck to bow upwards at both ends.

"When the sail trimmers call for more backstay and forestay tension, these boats bend like bananas," said Giovanni Belgrandi, of SP Technologies in Southampton, who has engineered several IACC yachts.

This can reduce the waterline length from a static 75ft to less than 74ft as the boat heads upwind. In traditional construction, however exotic the resins and carbon fibre materials used in the composite hull structure, the resistance comes from the hull's stiffness and strength, itself the enemy of lightness. Composites can be much stronger than steel but flexibility is not one of their virtues.

"It's not like a piece of steel where you just bend it," said Jim Pugh, a co-designer of *America* who was head-hunted to Sydney by the Australian group. "We push the envelope in every area we can. The loads are extremely high and it's always a constant battle to make the boat lighter, more high-performance," said Bertrand. "Sometimes there's a price to be paid."

## Gardening / Robin Lane Fox

# Avenues of concern to gardeners

**B**y trial and error, we all learn to be better gardeners. I also learn from you, because there is usually an FT reader somewhere to teach me things which books and experts have forgotten.

Iris, primroses, aconites and the history of garden design: these are some of the life-sustaining topics on which there is knowledge beyond the financial pages and recently you have sent me some gems.

A month ago, I was admiring the Royal Academy's exhibition of Lord Burlington and his

Georgian garden, laid out at Chiswick House. Space was scarcer in the paper than in his garden: my views on his avenues became rather curtailed. Lord Burlington laid out three, each of which ran away from the viewer and terminated at a different style of building. Contemporary paintings by Rysbrack capture the mature impression of this threesome which fared out like three fingers from a central point of view.

However, the historian of the RA exhibition, John Harris, doubts if his lordship's threesome was really planned as a garden.

demers know? Lord Burlington was never awash with spare money and, like most of us, he may have added his expensive buildings piecemeal after the important planting had already been done.

I am an avenue-planter myself. I am not entirely persuaded. One avenue might begin in the centre, but would any gardener with an eye go on to plant only one companion, making a lopsided twosome without a third to balance the other side?

Surely, the dates of the buildings can be separated from the planting, as all gar-

deners know? Lord Burlington was never awash with spare money and, like most of us, he may have added his expensive buildings piecemeal after the important planting had already been done.

I am an avenue-planter myself. I am not entirely persuaded. One avenue might begin in the centre, but would any gardener with an eye go on to plant only one companion, making a lopsided twosome without a third to balance the other side?

Surely, the dates of the buildings can be separated from the planting, as all gar-



Iris vartanii grew on slopes of Mount Hermon and was found by his great-grandfather, P.C. Vartan, who had already founded a hospital in Nazareth. He sent bulbs to Kew in 1884 and the legacy of his iris is still strong locally. It has just been illustrated in mosaic in the hospital's newly-opened lecture theatre. Kew has a few bulbs, one of which flowered last December, and others survive in the wild in Israel where the present Mr Vartan hopes to transplant a few to his ancestor's grave.

In January, I recalled my first FT article, written on winter irises with the brief of brightening up stockbrokers and their wives in the middle of the humdrum financial week. I referred then and again in January to the rare iris vartanii which flowers in December, grows near Nazareth and seems nowadays to have vanished from the trade. Its namesake's descendant, Mr Vartan, has kindly written to enhance the picture.

Lastly, the aconites have been superb and the primroses promise to be even better. They relish a mild, wet winter and many of you have written to emphasise the beauty of a particular relation of the prim-

rose, correctly selected as Devon Cream. If only new aconites were so easy, a problem on which a non-smoking female reader from Flint in north Wales has some forthright comments.

Every year, she buys a hundred dry corms in the autumn but scarcely a dozen emerge in the spring. They ought to like the place because they grow in huge carpets up the neighbouring drive of the former vicarage of her village. She did transplant a few from this source in green leaf last March but not one of them has survived the move.

She has no explanation but she suspects that in the past there was at least one thing which representatives of the Church of England used to do outstandingly well. They kept their private lives to themselves, along with the old-fashioned prayer-book and they certainly knew how to make an aconite happy, although they seem to have taken the secret with them.

\* See your nursery, or available on request. Ask your dealer for details.

2 year warranty\*

FREEPHONE

0800 616433

E REF. NO. FT1

**GARDENING**

**LAWNFLITE**

**BRITAIN'S ULTIMATE ALL-WEATHER GARDEN TRACTOR RANGE**

**DIRECT COLLECT 900 series**

**ALL-WEATHER LAWN MOWERS**

Range of 14 models to choose from starting at £199.00<sup>inc VAT</sup>

Simply cut,集 and collect, wet or dry grass, leaving a beautiful finish. Easy to operate, user friendly automatic transmission comes as standard. Now, before you buy any garden tractor have a FREE demonstration to prove to yourself what "Simple Garden" can mean to you.

Minimum £200 trade in on Garden Tractors

Manufactured by MITID • ISO 9001 Quality service by FARMER

Write or FREEPHONE NOW for your FREE 1995 colour brochure and your nearest dealer.

Name: \_\_\_\_\_

Address: \_\_\_\_\_

Post Code: \_\_\_\_\_ Tel: \_\_\_\_\_

Lawnflite Ltd, FREEPOST OP827, Bicester, Oxfordshire OX8 0UR

John Misselwaite

Wine Sales PARIS FRANCE  
£3.00/25 PFT  
PER CASE PER YEAR

## FOOD AND DRINK

# A back to bones policy that we can all enjoy

Philippa Davenport approves of the latest fashionable fare

**T**his morning the sun blazed and began to eat at the snow on our lawn as vigorously as moths attacking a cashmere sweater. Now the skies are leaden, the forecast is gloomy and council lorries are preparing to salt and grit the roads all over again. We are, I suppose, enjoying what the Irish call the great blast of spring.

No nonsense foods are called for at a time like this. Traditional, meaty, best of British comfort foods go to the top of my shopping list. We need full-bodied, old-fashioned, gutsy beef stews with dumplings or floury boiled potatoes to soak up the gravy; and the primitive consolation of bones.

The fashion for bony cuts has waxed with remarkable persistence over the last few years. Chicken wings, pigs' trotters, lamb shanks and ox tail have all fought their way victoriously up the social ladder to star at top tables, joined most recently by shin of beef sawn into thick slices across the bone.

Now the very latest trend is more basic still. Hold the meat; the bones alone will do a treat. Marrow bones are currently it - the toast of the town.

Marrow bones have a long and honourable history at British tables, relished by Georgian diners and remaining a popular savoury right up until the second world war. Then they disappeared, like all savouries, not, I suspect, because we lost our taste for them but for practical reasons. Cooks to cook them just before serving became thin on the ground, as did washerwomen once willing to launder the white damask napkins in which the bones were traditionally wrapped for serving.

In prudish Victorian society marrow bones were sometimes regarded as essentially masculine food. All that picking and prodding was all very well for a gentleman to indulge in but

too basic to be ladylike. The flavoursome, fatty richness of marrow was, though, too delicious to forgo. The gentler sex insisted they got their fair share. More genteel presentation was required. And so marrow toast was devised. To make it, beef marrow was teased out of the roasted bones in the kitchen and served under a silver dome, already spread on neat crustless triangles of hot, dry, freshly made toast, finished with salt and pepper and a decorative sprinkling of parsley.

Queen Victoria is said to have been partial to it if she ate a few slices daily at teatime. "Not correct diet for her plump majesty," observed Dorothy Hartley in *Food in England*.

Such dainty little marrow toasts seem almost as alien to the lives of most of us in the 1990s as wrapping foods in damask napkins and acquiring a set of silver marrow spoons. Today's style is for dishes of more robust character and presentation.

Chunks of good country bread provide an appropriate supporting cast along with the vegetable foil of a proper salad instead of a token teaspoon of parsley. Finally, the word roast must be seen to be up there in the recipe title to ensure it attracts the eye of chic-minded diners.

#### ROAST MARROW BONES WITH PARSLEY SALAD

Get the butcher to saw some shin or leg of beef bones into, say, 2½in lengths. Allow two pieces of per person depending on whether you plan to serve this as a first course or a light lunch dish.

In the past I have sealed the ends of marrow bones before cooking to prevent spillage or evaporation of the contents. Buff paste (ie flour moistened with enough water to make it gluey) is the traditional choice. Kitchen foil is the modern equivalent.

I cook marrow bones in a moderate oven, say, 350°F-375°F (180°C-190°C)

gas mark 4-5 until the centres are soft but not in danger of running away.

Others use heat no higher than 300°F (150°C) gas mark 2 and up to two hours cooking time.

Fergus Henderson, of St John in Farringdon - a happy new addition to the London restaurant scene - tells me he does not bother to cap the marrow bones with a seal and he uses a very hot oven "so they probably take just 10 minutes or so to cook" but you need to keep an eye on them. I shall try this.

He provides diners with lobster picks for teasing the cooked marrow out of the bones. I make do with the narrow spear-like forks of an abandoned fondue set. Skewers or small coffee spoons would also do the trick.

Henderson accompanies the roast bones with hunks of thickly sliced toast made from good crusty bread baked on the premises. I use my own loaves or toasted ciabatta, and I used to hand around wedges of lemon. Now

I have adopted the idea of garnishing each person's plate with salad.

Allow an ounce of so of flat leaf parsley per person, and dress the leaves with lemon juice and olive oil.

Henderson adds a scattering of chopped shallot and some capers for a lively finish. It may be gilding the lily but I suggest adding a few snippets of anchovy fillet as well.

#### BEEF STEW WITH THYME AND CARAMELISED ONIONS

Cut some well-raised and well-hung beef into generous bite size pieces - 2lb should be enough for five to six people. Shin or leg meat stripped from the marrow bones used for the previous recipe will do very well indeed. Chuck is far quicker to cook but considerably more expensive.

Season and flour the meat. Seal it in batches in a medium of sizzling dripping or oil. Pour on about ¾pt liquid - a mixture of beef consomme

(or stock) and red wine plus a teaspoon or two of balsamic vinegar. Add a couple of bay leaves and plenty of fresh thyme stripped from the stalk or a heaped teaspoon of dried thyme.

Cover tightly and stew gently for as long as needed to render the meat beautifully tender. Four and a half hours is not too long for shin. Use a heat retardant mat if stewing on top of the stove; barely a bubble should burp to the surface.

About half an hour before serving, sauté lb small shallots or button or pickling onions in a dab of fat until browned darkly in places. Sprinkle with a teaspoon or so of sugar, half cover and continue cooking over slightly reduced heat for say 15 minutes more.

Add the onions and their caramelised juices to the stewpan, pushing them into the liquid and cook a little longer. Or reheat as required. Serve with dumplings or floury boiled potatoes and fresh peppery watercress.

# A penchant for preservation

Giles MacDonogh on a man with a culinary mission

**T**he first sight of Alexandre Lazareff was inauspicious. I tracked him down to the Cordon Bleu school in the 15th arrondissement of Paris where he was surrounded by some utterly baroque creations spun from industrial ravioli. The chefs present had allowed their imaginations to run wild. Any Italian purist would have had kittens.

Lazareff's smile indicated that he was not altogether taken in by this sort of exercise. He said one or two diplomatic words to the organisers and we went into the director's office for a chat.

Lazareff is no ordinary food expert: no former chef turned critic, no tele-pundit, no career journalist with a taste for the good life. He comes from the elite of the French civil service and his destiny is bound up with it to this day.

Educationally speaking you cannot get much better than Lazareff. After the school of law in Paris, where he took his doctorate, and Sciences-Po (Institut des Sciences politiques) he went on to the *ne plus ultra*: the ENA (Ecole Nationale d'ad-

ministration). "Enarques" occupy top jobs in the administrative grades of the civil service and diplomatic corps.

Quite a few have graduated to politics: Giscard d'Estaing, Chirac, Jospin and Rocard to name four.

At first his career followed the classic lines. He worked at the Ministry of Finance and was later involved in the Gatt (General Agreement on Tariffs and Trade) negotiations, where, to his frustration, he often found that the Financial Times was better informed than he was.

As the work did not always grip him, he started writing: first a guide to Paris's tea rooms (there are many more than there are in London) and then one on places to meet. He wrote (and still writes) a column for *Figaro* and was a director of Radio Tous Eiffel. Then, in 1989, the arts minister, Jack Lang, chose him to head a new body, the *Conseil National des Arts Culinaires*, to preserve and develop France's gastronomic culture in the face of a rapid decline in French values.

The most obvious fruit of his

work at the CNAC has been the *Inventaire du Patrimoine culinaire de la France* (Inventory of France's culinary heritage), which takes the form of 22 hardback books covering the gastronomy of each of the French regions. Each volume contains an inventory of traditional products, classic recipes and a bibliography.

To achieve this Lazareff has pulled in local experts, industrial producers and distributors as well as chefs. At the head of the project is the three-star Michelin chef Alain Senderens of Lucas Carton restaurant in Paris.

Lazareff was insistent that he was doing something different to the classic lines. He worked at the Ministry of Finance and was later involved in the Gatt (General Agreement on Tariffs and Trade) negotiations, where, to his frustration, he often found that the Financial Times was better informed than he was.

As the work did not always grip him, he started writing: first a guide to Paris's tea rooms (there are many more than there are in London) and then one on places to meet. He wrote (and still writes) a column for *Figaro* and was a director of Radio Tous Eiffel. Then, in 1989, the arts minister, Jack Lang, chose him to head a new body, the *Conseil National des Arts Culinaires*, to preserve and develop France's gastronomic culture in the face of a rapid decline in French values.

The most obvious fruit of his

work at the CNAC has been the *Inventaire du Patrimoine culinaire de la France* (Inventory of France's culinary heritage), which takes the form of 22 hardback books covering the gastronomy of each of the French regions. Each volume contains an inventory of traditional products, classic recipes and a bibliography.

To achieve this Lazareff has pulled in local experts, industrial producers and distributors as well as chefs. At the head of the project is the three-star Michelin chef Alain Senderens of Lucas Carton restaurant in Paris.

Lazareff was insistent that he was doing something different to the classic lines. He worked at the Ministry of Finance and was later involved in the Gatt (General Agreement on Tariffs and Trade) negotiations, where, to his frustration, he often found that the Financial Times was better informed than he was.

As the work did not always grip him, he started writing: first a guide to Paris's tea rooms (there are many more than there are in London) and then one on places to meet. He wrote (and still writes) a column for *Figaro* and was a director of Radio Tous Eiffel. Then, in 1989, the arts minister, Jack Lang, chose him to head a new body, the *Conseil National des Arts Culinaires*, to preserve and develop France's gastronomic culture in the face of a rapid decline in French values.

The most obvious fruit of his

work at the CNAC has been the *Inventaire du Patrimoine culinaire de la France* (Inventory of France's culinary heritage), which takes the form of 22 hardback books covering the gastronomy of each of the French regions. Each volume contains an inventory of traditional products, classic recipes and a bibliography.

To achieve this Lazareff has pulled in local experts, industrial producers and distributors as well as chefs. At the head of the project is the three-star Michelin chef Alain Senderens of Lucas Carton restaurant in Paris.

Lazareff was insistent that he was doing something different to the classic lines. He worked at the Ministry of Finance and was later involved in the Gatt (General Agreement on Tariffs and Trade) negotiations, where, to his frustration, he often found that the Financial Times was better informed than he was.

As the work did not always grip him, he started writing: first a guide to Paris's tea rooms (there are many more than there are in London) and then one on places to meet. He wrote (and still writes) a column for *Figaro* and was a director of Radio Tous Eiffel. Then, in 1989, the arts minister, Jack Lang, chose him to head a new body, the *Conseil National des Arts Culinaires*, to preserve and develop France's gastronomic culture in the face of a rapid decline in French values.

The most obvious fruit of his



"Industry has destroyed the identity of much of French ham, but it has saved the casoulet," he said.

Possibly because of his Russian origins, but more probably because he is married to a Scot, he can see some good in British food. He is engaged in drawing up a repertoire of the 4,000 most representative culinary creations in Europe and is expecting to find 400 of these in Britain. I was lost for words: was he thinking of endless recipes for cakes and muffins?

He fumbled in the recesses of his memory: he was clearly longing to come up with something special to quash my cynicism but all he could think of was marmalade, Christmas pudding and breakfast sausage and, after a long pause, clotted cream. He will have to try harder than that if he wants to find 400.

His project has brought him into contact with the British government. He was particularly impressed by Nicolas Soames, whom he thought "the perfect minister of food". He had yet to meet Angela Brownrigg who took over when Soames left to run the armed forces.

"At least the army will eat well now," he mused.

It was a very French remark and one which showed that Lazareff's heart was in the right place: in his stomach.

**The guides of the Inventaire du patrimoine culinaire de la France are published by Albin Michel, 22 rue Bignon, Paris 75014. Price FF120 each.**

#### Appetisers

## Pic loses a star

and the beginning of the tourist season. Those which have impressed include:

■ Cucina, 45a South End Road, NW3. 0171-435 7814. Near Hampstead Heath. I ate a stunning first course of marinated Turkish aubergine, mascarpone mushrooms and mint cous-cous (£4.75).

■ Zafferano, 15-16 Lowndes Street, SW1. 0171-235 5800. A welcome addition to London's growing band of exciting Italian restaurants. Sensible pricing - £14.50 for two courses, £17.50 for three.

■ Accomplished modern French cooking at L'Interlude de Chavot, 5 Charlotte Street, W1. 0171-637 0222. All first courses are £6.50, main courses

£12.50 and desserts £5.50. There is no set lunch menu.

■ Zafferano, 15-16 Lowndes Street, SW1. 0171-235 5800. A welcome addition to London's growing band of exciting Italian restaurants. Sensible pricing - £14.50 for two courses, £17.50 for three.

■ Accomplished modern

French cooking at L'Interlude de Chavot, 5 Charlotte Street, W1. 0171-637 0222. All first courses are £6.50, main courses

I used to patronise Betjeman and Barton in Paris, and I also used to shop in their Elizabeth Street branch in London's Belgravia when that existed.

Still on Parisian tea-shops, a paradise for tea lovers is

Mariage Frères, 30 rue du Bourg-Tibourg, in the 4e or 13e

rue des Grands-Augustins in the 6e. It lists hundreds of single estate teas from China, Formosa, India, Sri Lanka, Africa and South America. There are 49 Darjeelings. For details write to Mariage Frères, 31 rue Alexandre Dumas, Paris 75020. Tel: 01 40 09 81 18. Fax: 01 40 09 81 15.

Giles MacDonogh

□ □ □

Still on Parisian tea-shops, a

paradise for tea lovers is

Mariage Frères, 30 rue du

Bourg-Tibourg, in the 4e or 13e

rue des Grands-Augustins in the 6e. It lists hundreds of single

estate teas from China, For-

mosa, India, Sri Lanka, Africa

and South America. There are

49 Darjeelings. For details

write to Mariage Frères, 31 rue

Alexandre Dumas, Paris 75020.

Tel: 01 40 09 81 18. Fax: 01 40 09 81 15.

Giles MacDonogh

□ □ □

Still on Parisian tea-shops, a

paradise for tea lovers is

Mariage Frères, 30 rue du

Bourg-Tibourg, in the 4e or 13e

rue des Grands-Augustins in the 6e. It lists hundreds of single

estate teas from China, For-

mosa, India, Sri Lanka, Africa

and South America. There are

49 Darjeelings. For details

write to Mariage Frères, 31 rue

Alexandre Dumas, Paris 75020.

Tel: 01 40 09 81 18. Fax: 01 40 09 81

## BOOKS

# Ill-drawn portrayal of Donatello

This great, revolutionary sculptor has fallen victim to the art historian, writes Brian Sewell

**D**onatello was the greatest sculptor of the Florentine Renaissance, the pupil of Ghiberti, the friend of Uccello and Brunelleschi, admired by all who transformed the arts of painting, sculpture and architecture in the first half of the Quattrocento; and Cosimo de' Medici, a man of enormous wealth, was his affectionate patron. Donatello lived for 80 years from 1386 to 1466, twice the lifetime of most men then, and worked not only in Florence, but in Rome, Siena and Padua. His life-size equestrian statue of Gattamelata revived the triumphal arts of ancient Rome, his shallow reliefs of utmost delicacy brought the pictorial skills of drawing, painting and perspective to

bear on bronze and marble, his naked David, a sensual celebration of the young male nude, is almost as far-famed as that of Michelangelo, and his *Babylon* and other prophets are the forefathers of Rodin's *Burghers of Calais*. Only in this century have sculptors chosen to ignore him, and he is now the victim of the art historian.

Charles Avery describes his slim volume as an introduction, but it is more than that, for he deals in some detail with all the significant

**DONATELLO: AN INTRODUCTION**  
by Charles Avery  
John Murray £13.99, 144 pages

work, and with a little expansion and some vigilant editing, it could well be turned into a book of substance. In its present form, however, to whom is the book addressed? It is too dry for bedside reading or the country cottage loo; it is too scholarly for a sixth form crib, and yet not scholarly enough for scholars; its illustrations are perhaps the worst published since the plates of the old Phaidon Press began to wear and smudge; and the text is larded with laboured little

jokes and exclamation marks, as though based on lectures to young ladies in a finishing school.

Poor Donatello may well have been homosexual, but Avery blanches and giggles at the evidence (1). Worse, he is committed to the

irksome use of "would have" when there is no evidence for his assertions – even four times in a single paragraph – and as often when he needs to state a simple fact. He is occasionally astonishingly vague; he tells us that few drawings have survived – implying that some have – and then illustrates one that is Donatello's only by attribution; and for the nude David, for which there is no documentation, he implies a date between 1454 and 1457, but on the illustration

appears the legend "c.1435 or c.1453." Did it not occur to him, in both cases, to offer a little stylistic analysis? Could he not have made a stab at dating the Judith with the Head of Holofernes? – perhaps relating it stylistically to other late works and pointing to the daring iconography, an awkwardness that is explained by the underlying horror of the moment that Donatello chose to illustrate the throat cut, but the kindly man's head yet to be severed by a second blow? The only

stylistic point that Avery stresses – the notion that some works were "left rough and unfinished deliberately, as a means of expression" – no one should accept, for it imposes a 20th century aesthetic on a sculptor governed by the patronage, strictly regulated commissions, and workshop practice of the 15th century, and by no means a bohemian free spirit, even if given to bedding the boys of the bottega.

An introduction this may be, but it hardly encourages the reader to pursue acquaintanceship, yet Donatello made the most revolutionary, most influential and most beautiful sculptures of his generation, his expressive sensibility still immediate. Dr Avery and his publishers should have served him better.

# A peculiarly British radicalism

Communism in this country was not solely about the Soviet connection, argues Beatrix Campbell

**S**yria Pankhurst made a surprising appearance in the results of a recent poll in which young women were asked to identify their heroines. Pankhurst is, of course, remembered as a disobedient feminist. What is less well recalled is that she was a strappy founding member of the Communist party. Her quarrels with Lenin and her reluctant – and ultimately brief – participation in the new party tell their own story about the party's roots in a peculiarly British radicalism that preceded Bolshevism.

**THE ENEMY WITHIN: THE RISE AND FALL OF THE BRITISH COMMUNIST PARTY**  
by Francis Beckett  
John Murray £19.99, 256 pages

If the October revolution was the inspiration, it was not the sole *raison d'être* for the new party. It may have been formed in the image of its Soviet godfather but most of the party's life was shaped by British institutions, traditions and manners. Its history cannot, therefore, be written merely as an appendix to the Soviet story.

But is the drama of the Soviet connection which drives Francis Beckett's book. He makes full use of the recently-opened Moscow archives, which confirm the scandals that shamed British Communists – the complicity in mass terror, Moscow gold and subservience to the Soviet line.

Beckett reveals the deep dependence upon Soviet funds during the party's first decade. Later, although the credibility of British Communists flowered when they mobilised

resistance to fascism, they were humiliated by the Hitler-Stalin pact. This material, however, appears to have mesmerised the author. The rise and fall of this small and imperfectly formed party was never simply a story of Soviet connections. Its resilience and episodes of inspired activism lay in its local origins in a local landscape as much as in its anxious often craven and occasionally courageous dialogue with the Bolshevik brethren.

Beckett's book reads like a caper rather than an account of the party's tormented effort to live with and then live down its connection to the Soviet Union. His narrative loses its grip on the post-war period, which represented the process of protracted painful separation from Soviet domination, and he rushes past some of the party's most vigorous and volcanic years after the renewal of the European left in the 1960s and 70s.

Beckett is less interested in the party as a crucible for both middle- and working-class thinkers and activists than as a focus for well-rehearsed obsessions with spies and secrets.

This lacuna is serious and strips the text of any sense that the British Communist party played a significant role in popular dissent. The great squatters' movement, the tenants' associations which pestered municipal landlords, militant shop stewards' movements and later student politics, the folk music revival and progressive theatre were all infused by communists whose strengths and weaknesses were little to do with Bolshevism and more to do with the template of their British traditions.

Beckett cannot explain the contradictions in the greatest moment of the trade union left: its successful, but ultimately misguided, resistance to attempts by both Barbara Castle and Edward Heath to reform and regulate class conflict in the workplace. Nor can he explain the unions' defeat of the egalitarian social contract, the Labour movement's last chance to put the collective back into collective bargaining.

By then the party's presence

in the student movement was generating the Communist Universities (annual week-long summer schools in the 1970s) which, with the hindsight of the philistine 1990s, were glittering assemblies of intellectual renewal.

These bouts of resistance marked the peak of rank and file power yet locked it into macho values that came not from socialism itself but from craft, competition, and the byzantine lore of bargaining.

Alone on the revolutionary left, and long before the Labour party cottoned on to modern feminism, the party endorsed the autonomy of the Women's Movement at the beginning of the 1970s, when young women defied the habitual

vanguardism of the party and insisted on respect for the new ideas and form of feminism.

Their audacity appalled the grey men held up in the party's HQ but these fresh members were part of the new wave, the generation of 82ers who invigorated the declining party.

Many young women joined and journeyed up into its higher echelons. Beckett's amnesia or indifference to them leads to a laughable, were it not insulting, caption under

a picture of Gorbachev with a British delegation: this describes the one woman present as an unidentified interpreter. She was Philippa Langton, the party chairwoman.

The impact of this generation was really felt in the early 1970s in the party's ailing *Morning Star* newspaper, which became an arena of unprecedented internal struggle for modernisation.

This was the moment when the leadership lost its nerve and tried to restore control over the medley of new voices which it feared and

envied, but needed if it was ever to silence Stalinism. The reformers triumphed with Marxism Today. They made it into the most surprising political journal of the 1980s when it drifted from its party parent and became the child of a larger left.

Francis Beckett lets his ideological slip show when he writes of this *enfant terrible* with crisp contempt. The Communists he really seems to admire are the traditionalists, the conspirators and the spies – the British *Bolsheviks* who gave communism a bad name.



A nest of spies or a forum for thinkers? The British Communist party congress in session at the Seymour Hall, London, in 1948.

Fiction/Garry O'Connor

## Strange realms of nothingness

**F**acing death, oblivion, panic, nothingness, have become more than preoccupations for the fictional hero. The unnamed protagonist of *Astonishing the Gods*, a new novel from the Booker prize-winning writer Ben Okri, has been born "invisible" and tries to shake this off by seeking tangible identity. The quest for the secret of visibility carries him into lands of fable. He holds meetings with godlike and other essences in strange realms of atmospheric nothingness. He crosses invisible bridges, confronts precipices, wanders in cities of "sensitive" stone.

It is little wonder that the highly charged writing soon begins to swamp the mind: "The city was yielding its forms. Houses seemed to turn into liquid, and to flow away before he reached them. A horse in the distance became a mist when he got there. Fountains dissolved into fragrances... It suddenly appeared odd to him, but the solid things of the city seemed like ideas. And ideas, which were alive in the air, seemed to him like solid things."

Ultimately the invisible hero,

still invisible, lights upon a higher invisibility: love without illusion, finding without giving, finding without without.

Paradox dominates *Astonishing the Gods*. Too much of it goes round and round in a Shelleyan trance until it locks the reader in a kind of paradoxical paralysis. If only Okri could have taken note of Sean O'Casey: "For to be wise is to

**ASTONISHING THE GODS**  
by Ben Okri  
Phoenix £13, 128 pages

**A YEAR OF OUR LIVES**  
by John MacKenna  
Picador £9.99, 312 pages

universalities becomes a posture, the transcendence a trip. By the end I felt I had had enough of frescoes that quivered, the hypnotic eyes of unicorns, and the congregation generally, of higher invisibles.

John MacKenna's collection of short stories, *A Year of Our Lives*, is rooted in the everyday life of present-day Ireland. MacKenna's village and urban backgrounds are sharply and carefully drawn. The mental habits of his characters are far from metaphysical, although the perception of the real world is an alienated one.

Loneliness, foreshadowing without frills disease, the loss of a child, breakdown of marriage, the deterioration of beauty, the丑陋 of body functions – and of course death – stalk each other in steadily, unvarying tempo. The prose has a fastidiousness which is admirable, solid, and consistent.

The best story is "Street", a sketch of adolescent awakenings: of one girl to her attractiveness, another to the pain of her first period; of a randy, rough building worker to his awareness of sullied flesh. Others encompass the priest with his sexual liaison, a boy with AIDS, a drunkard hanging dead from the electricity poles, the eyes like dulled lovebirds, peering", and snatches of Prufrockian conversation: all create a negative but touchingly mesmeric melancholy.

Yet MacKenna is perhaps too cautious of larger gestures of faith or feeling. Oppressed by fate or their animal drives, his people exercise little by way of free will or a zest for life.

Okri turns everything so rapidly into its opposite that the

In the very first preview of *The Romans in Britain*, as the mudity and homosexual rape that would goad Mrs Whitehouse into prosecuting the National Theatre unfolded to our amazement, I stole a glance at the nun in the row behind me. She looked impassive, detached and stoical, as if saving her critical faculties for the play itself. She was right. Shock value apart, the work was strident in tone, clumsy in construction and woolly-minded in politics.

All the sadder, therefore, that an engaging section of the playwright's fascinating new collection of assorted writings deals with his gallant one-man readings of short stories. A Year of Our Lives, is rooted in the everyday life of present-day Ireland. MacKenna's village and urban backgrounds are sharply and carefully drawn. The mental habits of his characters are far from metaphysical, although the perception of the real world is an alienated one.

Loneliness, foreshadowing without frills disease, the loss of a child, breakdown of marriage, the deterioration of beauty, the丑陋 of body functions – and of course death – stalk each other in steadily, unvarying tempo. The prose has a fastidiousness which is admirable, solid, and consistent.

The best story is "Street", a sketch of adolescent awakenings: of one girl to her attractiveness, another to the pain of her first period; of a randy, rough building worker to his awareness of sullied flesh. Others encompass the priest with his sexual liaison, a boy with AIDS, a drunkard hanging dead from the electricity poles, the eyes like dulled lovebirds, peering", and snatches of Prufrockian conversation: all create a negative but touchingly mesmeric melancholy.

Yet MacKenna is perhaps too cautious of larger gestures of faith or feeling. Oppressed by fate or their animal drives, his people exercise little by way of free will or a zest for life.

is a crucial point, since Brenton makes the intriguing observation that while we like to think that England was formed by the Elizabethan age, it is in fact Cromwellian values that have prevailed.

This is, I suspect, true than the author of *Bloody Poetry*, *The Churchill Play* and *Moscow Gold* realises. Does the co-author of *Pravda* not recognise in the Puritans he admires – urban, profit-motivated, self-righteous, basically philistine – the seed of today's Thatcherites? He refers elsewhere to the Puritanism that would "establish the notion of personal liberty", but the Puritanism that came to power, a theocracy-cum-military dictatorship, easily prefers present-day Islamic fundamentalism rather than liberal democracy.

Brenton's historical perceptions are important since they

inform his life and work, and explain both the admirable and the exasperating in his writing. This collection of diaries, essays and journalism found me alternately booing and cheering while constantlyliking the author.

Hooray for some fine critical

**HOT IRONS**  
by Howard Brenton  
Nick Hern Books £15.99,  
272 pages

perceptions: he detects the aridity at the heart of Brecht's theatre. Hooray for the short shrift he gives much of today's British theatre, whether the "dreary flat-lined fare mouthed by beloved stars" or the agit-prop with its "working-class black lesbian in Islamic dress". He is good on English cultural attitudes (wary hostility) but unfair to the 19th century that,

while it threw up the derided Tennyson, it also established a liberal tradition that made Britain a haven for countless intellectual or political exiles from abroad. His comparison of Brecht's *Danton's Death* with *A Tale of Two Cities* as works on the French Revolution is superficial – you might as well compare *The Condottieri* with *A Death in Venice*.

Hooray for his reminder that Thatcherism seemed finally to lose any relation at all to what it was like to live in (this country) and walk down the street".

Boo for stereotypes of a rich, privileged Oxford (in my day anyone worth knowing had a northern accent and was called Melvyn). Hooray for his revelation of Australia as merely provincial. Boo for the assertion that all true artists, finding themselves popular, "discontinue the line at once".

Martin Hoyle

## A playwright of contradictions

(Shakespeare? Verdi?). And boo for being dazzled by the second-rate for politically okay reasons – Fay Weldon, Hanif Kureishi – while being puffed about the funny and perceptive Alan Ayckbourn.

But there is plenty more to cheer: the realisation that "to do something profound in the theatre, you should not take the theatre itself too seriously". Brenton illustrates this brilliantly with a splendid piece on the mad, uninhibited, Dionysiac Mucky Theatre of Amsterdam, a loving tribute that, like all good critical writing, makes you want to rush out and see it. And here lies the heart of Brenton's contradictions: He is really an Elizabethan while trying to be a Cromwellian. He has cast himself as Malvolio but is secretly Toby Belch, confining his cakes and ale to run-down campuses and draughty rehearsal-halls. At its best (and its worst) his work has a sprawling generosity and over-leaping exuberance that would be anathema to the Puritans he seems in awe of. At least these internal tensions guarantee never a dull moment.

Martin Hoyle

G odfrey Hodgson is one of this country's senior and more distinguished journalists, with the additional achievement of half-a-dozen substantial books under his belt. A New Grand Tour will add to his reputation.

He has had the pleasant idea of visiting seven European cities to write what is, in effect, a sequence of essays, fluent, insightful, often witty, on the theme that "it might be interesting to look for the traces and settings of the beginnings of modern and modernist Europe: our Europe, with all its splendours and miseries".

This "angle", as journalists would put it, of an up-dated

visit his chosen cities and to interweave the political and cultural threads of the past century (with the emphasis on the cultural). Sometimes the result veers to superior gossip

**A NEW GRAND TOUR**  
by Godfrey Hodgson  
Viking £16, 222 pages

rather than vigorous analysis, but it is a pleasing read and I cannot imagine anyone complaining, except to plead that he drop his favourite word "Oedipal". His style, therefore, is to

visit our European cities becoming mere theme parks for tourists, his pessimism somehow seems overstated, because he continues to respond to these places today with a relish which implies, surely, an optimism for their constant power of survival and resurgence.

He says, "The car would kill the heart of the city because it would destroy the patterns of behaviour that had made men and women citizens..." Is that really happening, outside his own example of central Rome? "The rich, untidy fecundity of... urban life has been mortally threatened, if not yet killed, by all the changes of the 20th century..." Not yet.

J.D.F. Jones

## BOOKS

# Disturbing behaviour at the SFO

No mercy is shown here: its mistakes and misjudgments require serious reform, writes Philip Coggan

Fraud and self-righteousness are inextricably linked. When a financial scam is revealed, or a company collapses amid balance sheet shenanigans, the pundits are quick to hop on their soapboxes.

An indictment of capitalism, cry the left-wingers. A dire lesson for investors who are greedy and fail to do their research, proclaim the cautious. A failure by the regulators, thunder the newspaper headlines.

Few people are experts about fraud, but everyone has an opinion. When the Serious Fraud Office opened in 1988 it was therefore on to a hiding to nothing.

Brian Widlake, best known as a presenter of the Money Programme and *The World of One*, lets the SFO have it with both barrels. "One sometimes thinks that the only purpose of an SFO prosecution is to show that the office is doing something," he writes. "Public life is full of busybodies anxious to please their political masters; the

SFO is quite good at creating that impression."

Indeed, one can only be relieved that Widlake opted for the media, rather than the law, as his chosen profession. There would have been no mercy from Judge Widlake. He is swift to condemn, and highly personal in his criticism.

He evidently did not like Barbara Mills, the SFO's second director.

"One's first impression of her is of a short, rather dumpy woman with an energetic, crisp manner," he writes, adding later that "her judgment is astonishingly poor" and "she has a habit of shooting from the hip, and an opinion on some things she has no real knowledge or experience of."

George Staple, the SFO's current director, should step down as

director, says Widlake, because of a court case dating back to his previous job at solicitors Clifford Chance. "He is essentially reactive by temperament, not proactive. Nor is he tough enough," writes Widlake. "Staple and his civil servants rarely listen to police advice or learn from the voice of experience."

Certainly, the SFO has given plenty of ammunition to its critics. The community service sentence for Roger Levitt; the escape of Asil Nadir to Northern Cyprus; and the acquittal of the Blue Arrow defendants and of George Walker; all give the impression of bumbling inefficiency.

From the other tack, the SFO has been blasted for its heavy-handedness. There is much

criticism of the office's Section 2 powers, which give the SFO the right to demand that suspects produce documents, and explain their contents, on pain of imprisonment.

**SERIOUS FRAUD OFFICE**  
by Brian Widlake  
*Little, Brown £18.99, 244 pages*

MP Michael Mates' campaign against the handling of the Asil Nadir case, particularly concerning the seizure of privileged documents.

Then there was the astonishing allegation of the "conspiracy" to bribe Justice Tucker, the judge in charge of the case; a conspiracy that turned out to be a hoax.

Throw in the "joke" in which the SFO forged a fax from Sir David Steel, saying that the former Liberal leader was planning to attend a hearing on behalf of Nazan Virani, and a pattern of disturbing behaviour emerges.

Even though the SFO has a better record in some of its low-profile cases, it is hard not to conclude that its mistakes and misjudgments require serious reform. Widlake's

book, though well-written, does not add much that is new and is far from unique in suggesting change or in its criticisms of the organisation's performance.

At root, one of the main problems lies in the government decision not to adopt one key recommendation of the Rockill report - that serious frauds should be dealt with by a special tribunal, without a jury.

Such a proposal was open to criticism on the grounds that, when defendants were acquitted, the public might feel that the "Establishment club" had let off its friends. In practice, juries, faced with incomprehensible masses of evidence, have tended to give defendants the benefit of the doubt. Tribunals would probably be tougher.

A second problem is the nature of some of the high profile cases the SFO has conducted. When the defendant is Peter Clowes of Barlow Clowes, the victims of the offence are fairly clear to see - elderly investors whose money has been stolen.

When the case is Guinness or Blue Arrow, and the essence of the case is share rigging and rights issues, it is far harder for juries to understand either what the defendants did, or who, if anyone, suffered. The cost of a public trial, with the burden of proof required seems inappropriate; indeed, Asil Nadir did British taxpayers a favour by fleeing to northern Cyprus.

The self-regulatory authorities, which have the power to levy unlimited fines and expel people and firms from the market, should tackle these offences. As Widlake argues, a statutory regulator, on the lines of America's SEC, would be better, but perhaps that it is too much to hope for.

## Fiction

# Survival in redneck country

Like a shelf of Arctic ice breaking loose, the paperback edition of E. Annie Proulx's *The Shipping News* last year coasted down the trade currents of publishing and entered the Gulf Stream of readers' consciousness that here was a substantial piece of work. The novel won a Pulitzer Prize, the National Book Award, the Irish Times International Prize and was Waterstone's Book of the Month. It was a hot book set in a cold climate.

At first glance, the setting and themes of *Heart Songs* are familiar - this is Richard Ford country, Jim Harrison territory, even Raymond Carver's individuals isolated in a backwoods landscape, grappling with their unarticulated needs and passions, reaching tentatively for the little that is available in terms of human contact. The style is American gothic.

The place is Chopping County, redneck country, upstate New England. Though Proulx's prose is concentrated, its effect is to diffuse her themes over a broad territory: the precision of her observa-

**HEART SONGS**  
by E. Annie Proulx  
*Fourth Estate £13.99, 182 pages*

tion has a larger value that implies an entire culture - as when an elderly widower marries again and wears a store-bought white suit "the dense, slippery white of lard". In the cold church, "it clung like wet plastic".

Sex is conducted in the back of trucks and is generally nasty, brutish and short. Men's affections, as distinct from their inchoate needs, tend to sublimate themselves in animals as inarticulate as they themselves: the death of a dog in a trap is a tragedy of Sophoclean proportions. Despite the breadth of landscape, there is no room to move or breathe; people and their extended families and their livestock and the free-running game live packed together, often incestuously in violent proximity: there is no getting away from each other, even in their silences which are pregnant with awful irresolution. And when matters are, occasionally, resolved, the silence is even more echoing than before.

The stories in *Heart Songs* are mostly early work from the late 1970s and '80s, when E. Annie Proulx was evidently finding her feet. There is some fine writing here that she excised from Postcards and *The Shipping News*, the two startling novels published in the 1990s. Rich without being cloying and, unlike most of her contemporaries - mostly male - she understands not only the tenacity with which her characters cling to the outcrops of life but also that they can be prised off and taken with a pinch of salt.

We are not perhaps, in Britain, inheritors of the American tradition - or fantasy - of the great outdoors as a redemptive arena where a man, or a woman, can revert to red-blooded kinship with nature. There are no surviving backwoods in Britain, no hidden pockets of raw frontier-life lived on the margins of the woods and lakes of a big country. But there are enough places where life is lived on the edge of poverty, endures casual cruelty, and exists on a dime-store economy to give *Heart Songs* a powerful, statistic relevance to the dim unease in which most of us live our lives.

Iain Finlayson



A Union Infantryman c. 1864 armed with a .50 inch rifled musket and revolver - from "An Historical Guide to Arms and Armour", [Studio Editions £16.99, 224 pages] by Stephen Bull and Tony North, which covers weapons from Classical Greece to nineteenth century Europe and America.

# New light on the Bard

Shakespeare, wrote Henry Bunner, "was a dramatist of note who lived by writing things to quote". It would be hard to find a better encapsulation of the popular view of Shakespeare, and it comes perilously close to the sum total of what most (not all) remember those Baconians would be prepared to agree about him. For it would seem that there can be no biography of Shakespeare; we know only scraps, hearsay, some legends; we have only a few documents, like the will in which Will leaves his second-best bed to Anne Hathaway.

For this very reason, says Eric Sams in this thrillingly contentious book, scholarly surmise has created an orthodox Shakespeare for us, tailored to our expectations of what our national Bard should be: a middle-class chap who, despite being a genius (an inconvenience generally disliked by the English, who only forgive it after a century or two), was otherwise a pleasant, ordinary, home-owning family man with investments.

Indeed, Sams says, matters are worse, because this orthodoxy robs Shakespeare of several plays and a whole decade of his creative life. It represents him as beginning his dramatic career in the early 1590s, at about 30 years of age. His life before this is left to the scraps and legends, which nevertheless are given their best gloss: his quantity of Latin is played up, his deer-poaching played down, and his father's position as substantial Stratford citizen and mayor -

just married his pregnant girl-friend, six years his senior. In London he worked as a groom at stables near Burbage's Theatre in Shoreditch, where, Sams suggests, his dramatic career began as call-boy and prompt. He might still have been law-clerk also, thereby meeting Henry Wriothesley, Earl of Southampton - later his patron and the sonnets' addressee - who was then studying at Gray's Inn.

**THE REAL SHAKESPEARE**  
by Eric Sams  
*Oxford University Press £19.95, 356 pages*

More importantly, Sams has Shakespeare writing early versions of a number of plays ("early" meaning the mid-1580s onwards), including *Hamlet*, *The Taming of the Shrew*, and the histories, later revising them into the authoritative versions of the First Folio. He also credits him with plays generally attributed elsewhere, such as *Edmund Ironside*, *Faire Em*, and *Lorraine*.

A striking feature of Sams's case is the evidence from the "Battle of the Books". The so-called University Wits (the Oxbridge playwrights, chiefly Greene and Nashe) attacked

the Grammarians (those with a school education only, namely Shakespeare and Kyd) for being "upstarts" and worse. Greene died in 1592; his attacks date from preceding years, showing that Shakespeare was even then famous.

If Sams is only half right, there is a lot of rethinking to be done about Shakespeare's life and art. Current orthodoxy is reductive: it makes Shakespeare an adapter, gives him collaborators, rewrites some of the plays to other authors. Sams claims to restore much that orthodoxy thus takes away. His argument faces at least two challenges. First, the scholars regard him as Greene regarded Shakespeare: an outsider and upstart. Gary Taylor, one of the Oxford Shakespeare editors, and a strong proponent of the redunctivist tendency, dismisses him as "a retired civil servant [who] attributes any rejection of his theories to a conspiracy of blinkered academics".

And secondly, he is a polemicist whose way with evidence can test credence, and whose combative ness can be vexing.

But some of Sams's arguments are powerful, and some of his conclusions strike a highly plausible note. Having stated his reasons and quoted the documents, he invites his reader's frank evaluation of both. Even when irritated by the alleged obtusities of professors, he keeps his eye firmly on the task of making his case. Could he after all have succeeded in nudging us closer to the real Shakespeare?

A.C. Grayling

# Complex harmonies

Richard Fairman on the thoughts of Michael Tippett

For one of his best 90th birthday tributes Tippett has wrapped up a book for himself. Everyone wants to know what a composer of his eminence thinks of the musical world that he has experienced and the 90-year-old Tippett, as much as anybody, has accumulated a treasury of knowledge on which to draw.

This compendium is not a wholly new book. There have already been two earlier collections of essays - *Moving into Aquarius* (1992) and *Music of the Angels* (1980) - which Tippett has revised and updated; sundry other articles have been gathered from disparate sources and there is an amount of new material. In the case of some composers this might result in a discordant lack of consistency, but not with Tippett. Reading the chapters as they come, one senses a man faithful to his ideals right through his 90 years.

The difficulty is simply getting clear the ideas he wants to put across. Tippett is not a model of lucid thinking, unlike his contemporary, Benjamin Britten. Just as his music is complex and the texts of his operas notoriously convoluted, so it is to be expected that his prose style demands some effort. Tippett, as author, thinks nothing of

juggling multiple philosophical and literary references in a single paragraph, trusting that all will fall into place with dextrous harmony.

The chapter on his opera *The Midsummer Marriage* gives a flavour of his style.

It opens with Schiller and Goethe discussing Yeats in some detail, widens the scope to take in Greek tragedy with special reference to Euripides' *Hippolytus*, moves on to Japanese theatre, Renaissance opera and the

background of given racial and cultural traditions". It has been Tippett's strength to absorb so many conflicting influences and fashion from them music that is instantly recognisable as his own.

The central section of essays deals directly with Tippett's own work. In most cases these are very detailed studies, not of musical structures and composing methods, but of the thoughts that lie behind the

notes on the page.

Academics will find a lot of their work ready packaged for them here. A newly-written chapter on the later operas, from *The Knot Garden* to *New Year*, typically abounds in information on Tippett's sources and should keep programme-note writers supplied for years.

The outer sections deal more generally with the role of the creative artist in the world at large. For the ever-young Tippett, still as open towards the latest youth fashions as ever, that world governs where music is going in the future.

Asked to supply a final chapter on "things to come", he is characteristically open-minded.

Tippett's dream is of "a new

plurality of theatrical genres beyond my immediate comprehension". And one senses that he would love to try his hand at those too, if only he could live long enough.

The outer sections deal more generally with the role of the creative artist in the world at large. For the ever-young Tippett, still as open towards the latest youth fashions as ever, that world governs where music is going in the future. Asked to supply a final chapter on "things to come", he is characteristically open-minded.

Tippett's dream is of "a new

## ARTS

## The re-birth of the blues

**T**hat's the trouble with today's avant-garde – it always goes that little bit too far. In March 1980 Yves Klein, the father, perhaps the midwife, of performance art, held a soirée in his Paris gallery. The smart guests enjoyed blue cocktails (Klein had decided that ultramarine blue was the ultimate colour); musicians played the Monotone Symphony, the endless repetition of the same note; Klein himself, wearing a white tie and decorations, was the suave master of ceremonies.

Then the evening moved up a scale. Nude female models strolled into the gathering and, under instructions from Klein, smothered themselves with blue paint. They were his "living brushes". They then leaned against the white papered walls to create "marks of the immediate", the first of his "anthropometries", significant traces of the bulges of the body transmogrified into art, now, of course, very pricey, very collectable.

Body painting returned to fashion on Thursday night at London's Hayward Gallery when the UK's leading performance artist, Anthony Howell, re-created that springtime in Paris. But time, and political correctness, has moved on. Instead of Klein pushing the creation of art out



Re-creating that springtime in Paris: Anthony Howell with his fellow-jokers at London's Hayward Gallery in their performance in memory of Yves Klein. Asher Ashwood

of the studio, stripping away the secrets, Howell perpetrated a joke. Two girls turned blue and pressed their parts into patterns; another girl poured paint from great heights into buckets with all the intensity of a competitor

in *It's a Knockout*; but all in a mechanical manner. There was going to be a pay-off.

Howell was slowly undressed. But when naked he was abused with paint. It was tipped all over him, then thrown at him, and he was

made to stand in the corner, the naughty male artist, the ultimate Blue Boy. And the girls drank champagne. The precise, remote Klein would have been horrified.

It was nice to come across performance art once again, a

creative backlash which seems to have lost out to boring old conceptualism, minimalism, installationism, all of which Klein pioneered.

Wandering through the galleries you realise that, for all his cribbing from

Duchamp, Klein had an imagination, a talent, and above all a style sadly lacking in his pigmy imitators today. Even the avant-garde can have a Golden Age.

A.T.

**A**fter corn circles, sheep folds. Farmers in the north east of England will soon discover a rash of sheep folds appearing from nowhere on the moors and fells. And not just workmanlike sheep folds. Some are skilfully curved and carved: they almost look like works of art.

Which they are: more than 100 will eventually materialise, designed by that artist of nature Andy Goldsworthy. In 1996 the north east picks up the baton of national culture from Swansea, City of Literature, to become the Arts Council's chosen performer in the field of the visual arts. Goldsworthy is just one of the artists commissioned to make an impact.

The north east has traditionally been the poor relation in the UK's cultural stakes. Traditionally it lacked a middle class and was geographically

## Off the Wall / Antony Thorne

## Flocking to Newcastle

isolated from the artistic mainstream.

In recent years the politicians in its major city, Newcastle, have singularly failed to follow the example of Birmingham, Glasgow, Manchester and elsewhere in using the arts to bring pride, prospective employers and tourists to their cities.

The council recently withdrew its grant from an orchestral concert series and seems to have torpedoed the idea of building a much-needed Newcastle concert hall on the back of millennium funds.

So the region's success in capturing the visual arts portfolio, which comes with a £300,000 dowry from the Arts

Council, has lifted spirits in the region.

The Northern Arts Board has squirrelled away £3.5m to invest in the year, and hopes that the final budget, financed by local authorities and sponsors, could be nearer £10m.

For other local councils appreciate the arts. Across the Tyne from Newcastle, in Gateshead, the uninspired urban landscape has been enlivened with a rash of public art works, and it is in Gateshead that Antony Gormley is erecting his "Angel of the North", 60ft of soaring rusted steel which, at a projected cost of £300,000, must be among the

most expensive as well as the tallest sculptures of recent years.

And if lottery money is forthcoming – as seems likely – Gateshead will be home to the UK's largest gallery specialising in contemporary art, in the converted Baltic Flour Mills. This £15m project will not be completed for some years but the architect chosen for the scheme, Dominic Williams, hopes to have a gallery space available on stilts in the car park for next year's visual arts festival.

When the mill is ready for conversion, the completed gallery will be lifted by crane to the top of the building. There is a distinctly populist

tinge to Visual Arts 96. A Metro train will contain carriages given over to craftsmen who will create, display and sell their works to the travelling passengers: Newcastle United Football Club is competing in an international festival of football banners, with the entries choreographed by Northern Stage for a public site at St James's Park, and C2C, the 130 mile cycling track which joins the west and east coasts across the Pennines, will become the longest art gallery in the world displaying

exhibits like crafted signposts, minimalist bridges and sculpted benches. Throw in plans to make Hartlepool the base for a nautical out-station of the Imperial War Museum and home to its exceptional collection of war paintings: a glass museum at Sunderland; and attempts to establish a National Drawing Centre at Middlesbrough, and suddenly the north east does not look so artistically barren.

Yet, as ever, signs of a cultural awakening always come up against economic realities.

This week two of the areas biggest corporate sponsors of the arts face turmoil, with Northumbrian Electric still under siege from Trafalgar House and Northumbrian Water under attack from Lyonnaise des Eaux.



## FISHER ISLAND. UNIQUE ANY COMMUNITY IN THE WORLD.

In 1925, William K. Vanderbilt II could have chosen anywhere in the world to create his elegant seaside winter estate suitable for hosting captains of industry, presidents, kings and princes.

He chose Fisher Island in Florida, overlooking the Gulf Stream, Biscayne Bay and the skylines of Miami and Miami Beach.

Three-quarters of a century later, Fisher Island has remained absolutely faithful to the original design and purpose William Vanderbilt envisioned for it.

In the last decade, the developers of Fisher Island have re-created the princely lifestyle that flourished on this historic, museum-quality estate.

Today, it offers an array of world-class amenities, including seaside golf, tennis on three surfaces, an international spa, magnificent beaches, fine restaurants, two deepwater marinas, shops and the ultimate in privacy and security.

More than four hundred of the world's most prominent families from thirty-nine countries now live in splendid

residences in Vanderbilt Style.

Fisher Island, Florida 33109 (305) 535-6071/(800) 624-3251, Fax (305) 535-6008.

Your inquiry is welcomed and appreciated.

Residences from \$300,000 to \$4,800,000. Guests of residents are welcome to stay in restored Vanderbilt Era Guest Cottages and Seaside Villas, from \$425 to \$1,000 per night.

The project is registered with the New Jersey Real Estate Commission, NEREC 904-711 to 716. Registration does not constitute an endorsement of the merits or value of the project. Offer is made and the New Jersey Public Offering circular before signing anything. This is not an offer to any person in any state where such an offering may lawfully be made. Equal Housing Opportunity.



Unlike any community  
in the world

If there is a writer's heaven, Ibsen, Chekhov and Shakespeare must even now be comparing notes. "I see a physical theatre company is doing a deconstruction of one of my plays," says Chekhov. "You too?" says Shakespeare. "Only one!" scoffs Ibsen. "That's nothing."

Classic texts revisited by performance groups are all the rage. While at the Young Vic, Scarlet Theatre does a man-free version of *Three Sisters* and Pete Brooks a forest-free version of *A Midsummer Night's Dream* at Watermans Arts Centre, Volcano Theatre company revives *How to Live*, a show which dismantles not just one but five of Ibsen's works: *Brand*, *A Doll's House*, *The Master Builder*, *Little Eyolf* and *When We Dead Awaken*. I thought I spotted *Hedda Gabler* in there too, but perhaps I was mistaken – after all, it goes such a lick you only need to blink and you have missed a masterpiece of Scandinavian drama.

Nigel Charnock's "radical adaptation" is subtitled "Insecurities" – a thoughtful note to scare away Ibsen purists who might not enjoy seeing the playwriting chopped up and boiled down. And anyone who saw Charnock's solo show *Hell Bent* at the Drill Hall recently will not approach *How to Live* expecting a restrained and subtle reading of the texts – Charnock on stage is a whirlpool of manic, destructive feelings, alternately self-indulgent and self-deprecating, appealing, brilliant and repellent. Here he takes essence of Ibsen and mixes it with Charnock frenzy to create a wild, garish and funny piece about frustration and desire.

Four performers offer a quartet of exaggerated Ibsen archetypes. There is the repressed woman, the free-spirited young girl, the ambitious man with checkbones and the disappointed academic. They race through highlights of the plays – moments at which frustration comes bursting to the surface – allowing the

## Tragedy of Women of Troy

Alastair Macaulay on a Greek classic in modern dress

Sarajevo. All of these are phonily handled.

Before bombs dropped on Dresden or Hiroshima, before Carthage was razed, there was Troy, prototype of all destroyed cities. It is ironic that Homer's *Iliad*, though set in the final year of the famous siege, ends before the great city falls; but the fall of Troy took the imagination of many other artists. What is always most marvellous about Troy is the extraordinary compassion the conquering Greeks always retained for it. The siege of Troy became to the Greeks the epitome of hubris.

Euripides dared to set his great tragic lament, *Women of Troy*, at the point when the city has already fallen, and when its king and heroes have been slain. His play depicts the most inhumane descriptions of all. The virgin priestess Cassandra is made concubine to the conquering Agamemnon; Hector's grieving widow Andromache, model of wives, is to be married to his killer's son Neoptolemus; her baby son Astyanax is put to death. Meanwhile, accompanied by a chorus of Trojan women waiting to be sent to various Greek homes as slaves, old queen Hecuba (Hecabe, in Greek), witnesses these outrages to her daughter, her daughter-in-law, her grandson. Grief is piled on grief. Everything about the play affirms that classic motto of Greek tragedy: "The worst is not while we can say 'This is the worst'."

Annie Castledine's new modern-dress production of this great play is not the worst account of a Greek tragedy we have seen, but most of it is dreary, unconvincing and none too original. The invading Greeks are Americans (Hello, Peter Sellars) who fire guns in the air; Poseidon, the first deity of the prologue, wears foot-high shoes (Hello, Richard Jones) while Athene, the second, is a man who minces laboriously around in drag; some of the chorals odes sound Balkan, with the implication (Hello, Nigel Osborne) that this is

In repertory at the Olivier Theatre, South Bank.

## Full tilt through Ibsen

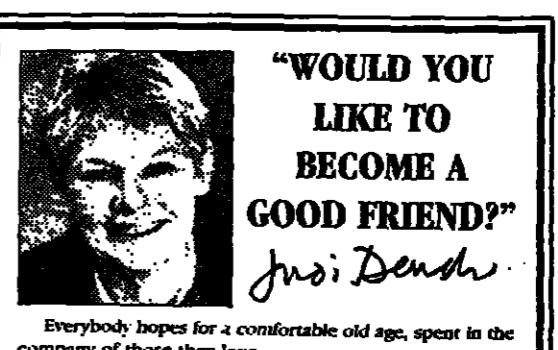
those of the characters they play, or this might just be another layer of invention – but whichever is true, it soon becomes uninteresting.

The hysteria becomes wearing, the jokes self-referential and the show goes into overdrive. Frenetic,

funny and furious, *How to Live* is also finally frustrating.

Sarah Hemming

To March 25, Watermans Arts Centre (081-563-1176). Then on tour.



Everybody hopes for a comfortable old age, spent in the company of those they love.

But for some the reality is very different. After a lifetime of service to others many elderly people are alone and financially insecure.

They need all the friends they can get. By supporting the Friends of The Elderly, a charity dedicated to providing permanent homes, companionship and nursing care for elderly people, you can play a part in giving someone a happy and secure future.

Make a donation or find more on 0171 730 8263, or return the coupon.

To: Sally Levent, Chief Executive, Friends of the Elderly, 42 Ebury Street, London SW1W 0LZ.	
NAME _____	
ADDRESS _____	
POSITION _____	
GIVE YOUR SUPPORT TO FRIENDS OF THE ELDERLY	

To: Sally Levent, Chief Executive, Friends of the Elderly, 42 Ebury Street, London SW1W 0LZ.

NAME \_\_\_\_\_

ADDRESS \_\_\_\_\_

POSITION \_\_\_\_\_

GIVE YOUR SUPPORT TO  
FRIENDS OF THE ELDERLY

Friends of the Elderly, 42 Ebury Street, London SW1W 0LZ.

Telephone 0171 730 8263, Fax 0171 730 8263.

Or return the coupon.

Friends of the Elderly, 42 Ebury Street, London SW1W 0LZ.

Telephone 0171 730 8263, Fax 0171 730 8263.

Friends of the Elderly, 42 Ebury Street, London SW1W 0LZ.

Telephone 0171 730 8263, Fax 0171 730 8263.

Friends of the Elderly, 42 Ebury Street, London SW1W 0LZ.

Telephone 0171 730 8263, Fax 0171 730 8263.

Friends of the Elderly, 42 Ebury Street, London SW1W 0LZ.

Telephone 0171 730 8263, Fax 0171 730 8263.

Friends of the Elderly, 42 Ebury Street, London SW1W 0LZ.

Telephone 0171 730 8263, Fax 0171 730 8263.

Friends of the Elderly, 42 Ebury Street, London SW1W 0LZ.

Telephone 0171 730 8263, Fax 0171 730 8263.

Friends of the Elderly, 42 Ebury Street, London SW1W 0LZ.

Telephone 0171 730 8263, Fax 0171 730 8263.

Friends of the Elderly, 42 Ebury Street, London SW1W 0LZ.

Telephone 0171 730 8263, Fax 0171 730 8263.

Friends of the Elderly, 42 Ebury Street, London SW1W 0LZ.

Telephone 0171 730 8263, Fax 0171 730 8263.

Friends of the Elderly, 42 Ebury Street, London SW1W 0LZ.

Telephone 0171 730 8263, Fax 0171 730 8263.

Friends of the Elderly, 42 Ebury Street, London SW1W 0LZ.

Telephone 0171 730 8263, Fax 0171 730 8263.

Friends of the Elderly, 42 Ebury Street, London SW1W 0LZ.

Telephone 0171 730 8263, Fax 0171 730 8263.

Friends of the Elderly, 42 Ebury Street, London SW1W 0LZ.

Telephone 0171 730 8263, Fax 0171 730 8263.

Friends of the Elderly, 42 Ebury Street, London SW1W 0LZ.

Telephone 0171 730 8263, Fax 0171 730 8263.

Friends of the Elderly, 42 Ebury Street, London SW1W 0LZ.

Telephone 0171 730 8263, Fax

## ARTS

Television/Christopher Dunkley

## Blurred focus on the news agenda

**A**lthough Channel 4 wins most of its viewers with soap operas and American programmes, it is still one of the most interesting networks in the world, thanks to its unusual obligations to provide a "distinctive" service, different from ITV and the BBC, with special attention to innovation and experiment.

The idea of devoting a whole evening, or even a season, to a single theme, did not begin with Channel 4 - BBC2 tried it first - but Channel 4 has stuck with it. Not long ago it devoted an entire evening to cannabis, and Saturday nights currently end with the remarkably strait-laced "Red Light Zone". If you are watching ITV's Sunday night drama serial, *Band Of Gold*, about a group of Bradford prostitutes it is worth catching *Mannington Diaries* in tonight's "Zone". It features the real prostitutes of Bradford who are decidedly different from their actress counterparts - not least in appearance.

Tomorrow Channel 4 begins another season, this one called "Whose News?", which, we are told, "investigates the news media - who owns it, who sets the agenda, and just who it serves". For once the plural solecism is important: this season is not about the news media but about one medium. It has nothing to say about newspapers, news magazines, radio news, or teletext. It is devoted exclusively to television, which is regrettable. One of the most important aspects of news today is the way in which the various media feed off one another, take their cues from one another, and use one another for justification.

Walk into any television newsroom, day or night, and you will find a large proportion of the staff reading newspapers. Most newspaper news desks now have televisions

suspended above them. One result of this avidly incestuous relationship is that combined with the sheer speed of today's communications is to produce imitation before anyone has had the time to muse upon the ethics involved. The result, all too often, is that the agenda, even in once consistently serious news media such as BBC radio and the main television programmes, can be set by tabloid newspapers.

Perhaps matters of this sort will be covered in programmes on Tuesday, Wednesday and Thursday called *And Finally* when attitudes towards the news are discussed. They are certainly not at the forefront of the documentary series *Deadline*, *Naked News* and *Satellite Wars* which are at the centre of this season.

**D**ealine is a six-part series about the news gathering operation behind a typical local magazine programme: *Calendar* at Yorkshire Television. *Naked News* is a four-part series about CNN and its on-line begetter, Ted Turner. Both series adhere to the current fashionable belief that having a reporter in shot is laughably old fashioned, that a scripted voice-over is nannyish and didactic, and that the cool way to carry on is to let everyone speak for themselves. If the overt hand of the programme maker becomes unavoidable because it is vital to impart some piece of information - passage of time, someone's identity - the only concession is a screen caption. There are two ironies involved here. The first is that in trying to give the impression that the material is untouched by human hand, the producer may actually have to interfere more than usual just to make the programme comprehensible. The other is that the system is inherently long-winded,

so you convey less to the viewer.

This is vividly born out by *Satellite Wars*, a conventionally structured documentary with both a presenter (William Shawcross) and a script. It tells the story of the development of satellite broadcasting, starting on Sunday next week with an excellent programme which covers two or three times as much ground as could be achieved with the trendy "Look, no hands!" routine. It is particularly fascinating on the role played by Captain Johnson in bringing about the launching of the Astra satellite by Luxembourg, thus providing Rupert Murdoch with the means to beat BBC into the sky.

"Whose News?" begins tomorrow with a 90-minute programme called *The Daily Planet* which looks at the news output from dozens of countries to see how a genuinely international news programme might appear. The season also contains five minute *Brenner Bulletins* in which Roy Bremner puts his own gloss on the day's events, and repeats of various programmes including the (very funny) newsroom comedy *Drop The Dead Donkey*. The season runs until March 30 and when we look back on it perhaps it will have provided an exhaustive examination of the subject. However, Channel 4's "publishing" system, with the various series in this season being commissioned from different independent producers, is not necessarily the best way to create coherence, consistency and thoroughness. It may seem altruistic in that it sounds like a plea for Channel 4 to be more like the BBC and the old ITV, but - at least so far as seasons of this sort are concerned - it has to be said that an editor with genuine editorial control might serve the viewer better than a commissioning editor.



The magnificent 'Saving of the Infant Pythagoras' by Poussin

## A royal show of Poussins

William Packer admires the Windsor collection of drawings at the Dulwich gallery

**L**iterary, stagey and artificial, obscure in his references, inconsistent in his practice, Poussin may delight the scholar for the recondite problems he affords, but for the rest of us he remains difficult and remote. Or so prejudice would have it. In the Spectator, Paul Johnson has gone even further, berating Poussin for his incompetence, the crude insensitivity of his colour, the stilted ineptitude of his drawing, his indifference to all the evening institute art class rules of lighting and source of light.

How very true. And yet, having had the opportunity over these past six months, first in Paris, then at the Royal Academy and now in Dulwich, to see Poussin's work over his entire career, I find myself warming to an artist of a very different character - inconsistent, yes, and as literary as ever, but yet so humorous, various, instinctive and humane.

In Paris, his drawings were shown with the paintings, which was wonderfully stimulating and informative, even though their actual display left much to be desired. At the Royal Academy there

were no drawings, but the paintings were infinitely better hung. Now at Dulwich we can now see a large group of his drawings, 65 in all, from the Royal Collection at Windsor.

While this is one of the largest and most significant collections of Poussin drawings (a dozen or so minor examples have been left out) spanning the entire career from the 1620s in Paris to the 1650s in Rome, it has never been shown as such before. It came into Royal hands in the mid-18th century, in two separate volumes, each assembled by a friend and patron of Poussin, Cassiano dal Pozzo and Cardinal Massimi respectively. Most of the drawings now recognised as autograph come from the Massimi volume.

Squabbles over dates and authentication continue, for Poussin was ever problematical, especially in the matter of the chronological sequence of the work. Here the earliest group is the controversial one, dating from around 1623 in Paris, and known as the Marino group after the early patron with whom Poussin first went to Rome.

As to the Marino drawings them-

selves, they are engagingly robust in composition and statement, but still insensitive in the heavy ink outline and comparatively flat wash, and crude in the characterisation. It all points obviously enough to an early date. Only "The death of Camilla", that shows a lighter touch of the pen and a freer, more abstracted chiaroscuro wash amid the mayhem, is clearly a later work, though not by much.

**M**ore interesting is that the intimate medium of the drawings demonstrates those old truths that an indifferent artist may develop into a remarkable one; that even a great artist may produce bad work; that not everything may be explained. A comparison with Cézanne, whose admiration for Poussin was critical to his own development, is apt: for Cézanne when young was an artist only in aspiration, and never an easy and fluent painter. Yet he lived to produce some of the most exquisite works, reducing the image to its essential, abstract structure.

With him it was the mountain, with Poussin the figure, singly and in groups, that was to be thus simplified and abstracted. No artist can stand outside his time, and it would be wrong to consider Poussin in terms of freedoms that modernism takes for granted. Indeed time and again in his later drawings, we see him turn back from the structural simplicity he has achieved to reconfirm the description of character and incident. With some of his nymphs and bacchantes, we would hardly have it otherwise.

Yet how exciting it is to see in such drawings as the magnificent "Saving of Pythagoras", the huge "Godfrey's Victory", "The Triumph of Pan", the tiny "Rape of the Sabine Women" and so many others besides, what is always subsumed within the paintings themselves. Here, so clearly shown, is the essential expressive dynamic of the work.

Poussin: works on paper: drawings from the collection of Her Majesty The Queen. Dulwich Picture Gallery, College Road SE21, until April 30, then to Houston, Cleveland and New York.

Radio / Martin Hoyle

## Enter the 51st state

**T**he revelation of the week was the intelligence that discarded chewing-gum is just as prevalent in Covent Garden's stalls and grand tier as in the cheaper seats.

United By A Man Who Knows In Midweek, this confirmed my theories about the innate vulgarity of the fat cats who doze and masticate at the Royal Opera. That evening Radio 3 recalled Elgar's comment on the audience for his second symphony ("a lot of stiffed pigs") so perhaps nothing has changed. Except that

in this British music year the Radio Times has to bill Elgar's Symphony No 2 as "sponsored by Land Rover".

Still, it compares favourably with those forces at the corporation slowly but inexorably turning us into the 51st state. Even Ray Gosling's constituted drone now resounds flatly through America.

He first caught my attention years ago when remarking lugubriously on "the usual monosyllables" like Marx, Engels and William Morris. Either syllables are as prone to inflation as the economy or this man is handicapped in the art of linguistic communication. I have no objection to sending him abroad, as in Radio 4's *Costing On Main Street*, preferably without microphone or return ticket, but resent that an aren't-a-card real-salt-of-the-earth non-nonsense-character" tone.

Still in America, the recent *Book of Bedtime* gave us Earth Kitt raspingly purring her way through the part she was born to play: Mehitable the alley cat ("toujours gai, toujous gai") in Don Marquis' poetic fantasy about the cat and the cockroach, *Archy and Mehitabel*. The current B at B is - surprise - surprise - also American. At least wonderful Mark Twain fills the gap left by Britain's lack of writers in the past two millennia, not to mention the dearth of literature in that tresmously adjacent little continent Europe.

What with a Willa Cather adaptation followed by *Postcard from Gothicum* (at least rescued from the socially aspirant hoo-kie-runner tones of Mark Steyn), last Thursday evening could have lulled you into thinking we had achieved the ambition apparently shared by Baroness Thatcher and the controller of Radio 4 and ended up permanently across the Atlantic.

It might be a happy escape, of course. The unsung heroes of Radio 4's stalwart *Film on Four* tenaciously pursued a maggot in our body politic that had even the deregulatory John Gummer admitting that he was "not against regulation". This is the tendency in the construction industry for main contractors to take their time paying sub-contractors, who then can go out of business through cash-flow troubles. We heard from those who had suffered.

More disturbingly, we heard how the biggest Trident project in Scotland had blundered over budget by more than 70 per cent through amateurish

## SOUTH BANK

Tel/CC 0171-523 8500 10am-5pm daily (Excl Chats)

**Sat** Mar 18 ROYAL FESTIVAL HALL  
BACH: CHORUS CITY OF LONDON SINFONIA; David Zinman, G. Dickson, J. Watts, Kodaly Ensemble, Te Deum; Szemerevai Stabat Mater; Janacek Glagolitic Mass. Sponsor: Unilever. £27, £21.50, £17, £12, £8. **BC**

**Sun** Mar 19 BBC SYMPHONY ORCHESTRA: The Magic Flute. The Magic Flute. **BC**

**Mon** Mar 20 BRUNSWICK: Hugh Wood Symphony; Elgar Violin Concerto. Sponsor: Land Rover. £10 (unreserved). **BC**

**Tue** Mar 21 COLOGNE PHILHARMONIC SYMPHONY ORCHESTRA: The Magic Flute. **BC**

**Wed** Mar 22 BRUNSWICK: Haydn Piano Concerto No.2; Bruckner Piano Concerto No.4 (Romantic). Sponsor: The Royal Bank of Scotland. £10. **BC**

**Thu** Mar 23 BBC SYMPHONY ORCHESTRA: The Magic Flute. **BC**

**Fri** Mar 24 CITY OF BRIGHAMSTOKE SYMPHONY ORCHESTRA: The Magic Flute. **BC**

**Sat** Mar 25 PURCELL ROOM: NASH ENSEMBLE: 20th-C Music Series. Lionel Friend (cond) Stravinsky Rite; Anthony Payne Sextet (WPF); Kurtag/Stravinsky Songs; James MacMillan; Stravinsky Rite. £6.15 inc talk. **NCS**

**Sun** Mar 26 PURCELL ROOM: Michael Pletnev (cond/pno) Haydn Piano Concerto, Hob.XVII/11; Mendelssohn String Symphony No.8. **BC**

**Tue** Mar 28 PURCELL ROOM: NASH ENSEMBLE: 20th-C Music Series. Lionel Friend (cond) Stravinsky Rite; Anthony Payne Sextet (WPF); Kurtag/Stravinsky Songs; James MacMillan; Stravinsky Rite. £6.15 inc talk. **NCS**

**Wed** Mar 29 PURCELL ROOM: NASH ENSEMBLE: Haydn Trio in D, Hob.XV/24; in F sharp minor, Hob.XV/25; in G minor, Hob.XV/26. Sponsor: Ajinomoto Co. Inc. £3.50, £2.70, £2.50. **NCS**

**Thu** Mar 30 PURCELL ROOM: NASH ENSEMBLE: Haydn Trio in D, Hob.XV/24; in F sharp minor, Hob.XV/25; in G minor, Hob.XV/26. Sponsor: Ajinomoto Co. Inc. £3.50, £2.70, £2.50. **NCS**

**Fri** Mar 31 PURCELL ROOM: NASH ENSEMBLE: Haydn Trio in D, Hob.XV/24; in F sharp minor, Hob.XV/25; in G minor, Hob.XV/26. Sponsor: Ajinomoto Co. Inc. £3.50, £2.70, £2.50. **NCS**

**Sat** Apr 1 PURCELL ROOM: NASH ENSEMBLE: Haydn Trio in D, Hob.XV/24; in F sharp minor, Hob.XV/25; in G minor, Hob.XV/26. Sponsor: Ajinomoto Co. Inc. £3.50, £2.70, £2.50. **NCS**

**Sun** Apr 2 PURCELL ROOM: NASH ENSEMBLE: Haydn Trio in D, Hob.XV/24; in F sharp minor, Hob.XV/25; in G minor, Hob.XV/26. Sponsor: Ajinomoto Co. Inc. £3.50, £2.70, £2.50. **NCS**

**Mon** Apr 3 PURCELL ROOM: NASH ENSEMBLE: Haydn Trio in D, Hob.XV/24; in F sharp minor, Hob.XV/25; in G minor, Hob.XV/26. Sponsor: Ajinomoto Co. Inc. £3.50, £2.70, £2.50. **NCS**

**Tue** Apr 4 PURCELL ROOM: NASH ENSEMBLE: Haydn Trio in D, Hob.XV/24; in F sharp minor, Hob.XV/25; in G minor, Hob.XV/26. Sponsor: Ajinomoto Co. Inc. £3.50, £2.70, £2.50. **NCS**

**Wed** Apr 5 PURCELL ROOM: NASH ENSEMBLE: Haydn Trio in D, Hob.XV/24; in F sharp minor, Hob.XV/25; in G minor, Hob.XV/26. Sponsor: Ajinomoto Co. Inc. £3.50, £2.70, £2.50. **NCS**

**Thu** Apr 6 PURCELL ROOM: NASH ENSEMBLE: Haydn Trio in D, Hob.XV/24; in F sharp minor, Hob.XV/25; in G minor, Hob.XV/26. Sponsor: Ajinomoto Co. Inc. £3.50, £2.70, £2.50. **NCS**

**Fri** Apr 7 PURCELL ROOM: NASH ENSEMBLE: Haydn Trio in D, Hob.XV/24; in F sharp minor, Hob.XV/25; in G minor, Hob.XV/26. Sponsor: Ajinomoto Co. Inc. £3.50, £2.70, £2.50. **NCS**

**Sat** Apr 8 PURCELL ROOM: NASH ENSEMBLE: Haydn Trio in D, Hob.XV/24; in F sharp minor, Hob.XV/25; in G minor, Hob.XV/26. Sponsor: Ajinomoto Co. Inc. £3.50, £2.70, £2.50. **NCS**

**Sun** Apr 9 PURCELL ROOM: NASH ENSEMBLE: Haydn Trio in D, Hob.XV/24; in F sharp minor, Hob.XV/25; in G minor, Hob.XV/26. Sponsor: Ajinomoto Co. Inc. £3.50, £2.70, £2.50. **NCS**

**Mon** Apr 10 PURCELL ROOM: NASH ENSEMBLE: Haydn Trio in D, Hob.XV/24; in F sharp minor, Hob.XV/25; in G minor, Hob.XV/26. Sponsor: Ajinomoto Co. Inc. £3.50, £2.70, £2.50. **NCS**

**Tue** Apr 11 PURCELL ROOM: NASH ENSEMBLE: Haydn Trio in D, Hob.XV/24; in F sharp minor, Hob.XV/25; in G minor, Hob.XV/26. Sponsor: Ajinomoto Co. Inc. £3.50, £2.70, £2.50. **NCS**

**Wed** Apr 12 PURCELL ROOM: NASH ENSEMBLE: Haydn Trio in D, Hob.XV/24; in F sharp minor, Hob.XV/25; in G minor, Hob.XV/26. Sponsor: Ajinomoto Co. Inc. £3.50, £2.70, £2.50. **NCS**

**Thu** Apr 13 PURCELL ROOM: NASH ENSEMBLE: Haydn Trio in D, Hob.XV/24; in F sharp minor, Hob.XV/25; in G minor, Hob.XV/26. Sponsor: Ajinomoto Co. Inc. £3.50, £2.70, £2.50. **NCS**

**Fri** Apr 14 PURCELL ROOM: NASH ENSEMBLE: Haydn Trio in D, Hob.XV/24; in F sharp minor, Hob.XV/25; in G minor, Hob.XV/26. Sponsor: Ajinomoto Co. Inc. £3.50, £2.70, £2.50. **NCS**

**Sat** Apr 15 PURCELL ROOM: NASH ENSEMBLE: Haydn Trio in D, Hob.XV/24; in F sharp minor, Hob.XV/25; in G minor, Hob.XV/26. Sponsor: Ajinomoto Co. Inc. £3.50, £2.70, £2.50. **NCS**

**Sun** Apr 16 PURCELL ROOM: NASH ENSEMBLE: Haydn Trio in D, Hob.XV/24; in F sharp minor, Hob.XV/25; in G minor, Hob.XV/26. Sponsor: Ajinomoto Co. Inc. £3.50, £2.70, £2.50. **NCS**

**Mon** Apr 17 PURCELL ROOM: NASH ENSEMBLE: Haydn Trio in D, Hob.XV/24; in F sharp minor, Hob.XV/25; in G minor, Hob.XV/26. Sponsor: Ajinomoto Co. Inc. £3.50, £2.70, £2.50. **NCS**

**Tue** Apr 18 PURCELL ROOM: NASH ENSEMBLE: Haydn Trio in D, Hob.XV/24; in F sharp minor, Hob.XV/25; in G minor, Hob.XV/26. Sponsor: Ajinomoto Co. Inc. £3.50, £2.70, £2.50. **NCS**

**Wed** Apr

## TRAVEL

# Where rugby comes before foie gras

Away from the elegant châteaux of the Dordogne Nicholas Woodsworth finds a more rugged society

**S**ome years ago I made a visit to that valley of south-western France so favoured by the English, the Dordogne. I cannot say at the time that I could see why. It was the height of the summer tourist season, and nightmarish.

The great castle of Domme, the cliff-perched village of Rocamadour, the cave paintings of Lascaux; these and a score of other sites were buried under a great welter of humanity. German bus tours, Japanese holiday club excursions, American Europe-in-a-week junkets; all met in a frantic mêlée, turning what is reputed to be the garden of France into a holiday in hell.

I told myself that if I ever went back it would be to a different kind of Dordogne. Not long ago I did return, and spent a few days around the little town of Bretenoux.

Here the Dordogne has not yet become the meandering river that flows graciously past elegant châteaux and thriving resort towns on its way to the Atlantic. Some distance east of the major tourist spots, Bretenoux sits at the confluence of the Dordogne and Cère rivers in a countrysidne of narrow valleys and steep-sided hills. It is a working town, a centre for the small farmers who produce cattle, maize, tobacco, strawberries, walnuts, geese and ducks in the surrounding fields and barnyards.

I did not go in the gentlest of seasons; early winter in the Dordogne is a grey, soggy time. Apart from myself, there was not a tourist in sight.

A small market town in a dead season; does it all sound too terribly depressing? It was not. The streets of Bretenoux

were thick with mist as I drove in on a cold Saturday morning. But they were also thick with people - the fete of Saint Catherine, an annual farmer's dance, market and feast-day more than 600 years old, had drawn families and merchants from miles.

Crowding the pavements were stands selling a 1,000 country things: axes and hatched wire chestnuts, honey and sausages in long, looped coils, strutting turkeys and rust-feathered capons; vast loaves of thick-crusted bread the size and shape of Galapagos.

Delicately avoiding the steaming manure at our feet, I stood with a dozen rubber-booted farmers at an outdoor bar set up in the straw. Like them, I sipped red Bergerac, watched proceedings, and occasionally wandered over to listen to a particularly eloquent sales pitch.

They were proud of their animals, these short, florid-faced, barrel-chested men. They stood beside the cows in their worn jackets and berets, running thick, work-roughened fingers over the cattle's hides and pointing out particular attributes with their herdsmen's sticks. I can only imagine that the long and animated conversations between these men were debates about milk yield, meat quality and other cowy subjects. They spoke *langue d'oc*, the old language of the south-west, and I understood

they were debates about milk yield, meat quality and other cowy subjects. They spoke *langue d'oc*, the old language of the south-west, and I understood

they were debates about milk yield, meat quality and other cowy subjects. They spoke *langue d'oc*, the old language of the south-west, and I understood

they were debates about milk yield, meat quality and other cowy subjects. They spoke *langue d'oc*, the old language of the south-west, and I understood

they were debates about milk yield, meat quality and other cowy subjects. They spoke *langue d'oc*, the old language of the south-west, and I understood

they were debates about milk yield, meat quality and other cowy subjects. They spoke *langue d'oc*, the old language of the south-west, and I understood

they were debates about milk yield, meat quality and other cowy subjects. They spoke *langue d'oc*, the old language of the south-west, and I understood

they were debates about milk yield, meat quality and other cowy subjects. They spoke *langue d'oc*, the old language of the south-west, and I understood

they were debates about milk yield, meat quality and other cowy subjects. They spoke *langue d'oc*, the old language of the south-west, and I understood

they were debates about milk yield, meat quality and other cowy subjects. They spoke *langue d'oc*, the old language of the south-west, and I understood

they were debates about milk yield, meat quality and other cowy subjects. They spoke *langue d'oc*, the old language of the south-west, and I understood

they were debates about milk yield, meat quality and other cowy subjects. They spoke *langue d'oc*, the old language of the south-west, and I understood

they were debates about milk yield, meat quality and other cowy subjects. They spoke *langue d'oc*, the old language of the south-west, and I understood

they were debates about milk yield, meat quality and other cowy subjects. They spoke *langue d'oc*, the old language of the south-west, and I understood

they were debates about milk yield, meat quality and other cowy subjects. They spoke *langue d'oc*, the old language of the south-west, and I understood

they were debates about milk yield, meat quality and other cowy subjects. They spoke *langue d'oc*, the old language of the south-west, and I understood

they were debates about milk yield, meat quality and other cowy subjects. They spoke *langue d'oc*, the old language of the south-west, and I understood

they were debates about milk yield, meat quality and other cowy subjects. They spoke *langue d'oc*, the old language of the south-west, and I understood

they were debates about milk yield, meat quality and other cowy subjects. They spoke *langue d'oc*, the old language of the south-west, and I understood

they were debates about milk yield, meat quality and other cowy subjects. They spoke *langue d'oc*, the old language of the south-west, and I understood

they were debates about milk yield, meat quality and other cowy subjects. They spoke *langue d'oc*, the old language of the south-west, and I understood

they were debates about milk yield, meat quality and other cowy subjects. They spoke *langue d'oc*, the old language of the south-west, and I understood

they were debates about milk yield, meat quality and other cowy subjects. They spoke *langue d'oc*, the old language of the south-west, and I understood

they were debates about milk yield, meat quality and other cowy subjects. They spoke *langue d'oc*, the old language of the south-west, and I understood

they were debates about milk yield, meat quality and other cowy subjects. They spoke *langue d'oc*, the old language of the south-west, and I understood

they were debates about milk yield, meat quality and other cowy subjects. They spoke *langue d'oc*, the old language of the south-west, and I understood

they were debates about milk yield, meat quality and other cowy subjects. They spoke *langue d'oc*, the old language of the south-west, and I understood

they were debates about milk yield, meat quality and other cowy subjects. They spoke *langue d'oc*, the old language of the south-west, and I understood

they were debates about milk yield, meat quality and other cowy subjects. They spoke *langue d'oc*, the old language of the south-west, and I understood

they were debates about milk yield, meat quality and other cowy subjects. They spoke *langue d'oc*, the old language of the south-west, and I understood

they were debates about milk yield, meat quality and other cowy subjects. They spoke *langue d'oc*, the old language of the south-west, and I understood

they were debates about milk yield, meat quality and other cowy subjects. They spoke *langue d'oc*, the old language of the south-west, and I understood

they were debates about milk yield, meat quality and other cowy subjects. They spoke *langue d'oc*, the old language of the south-west, and I understood

they were debates about milk yield, meat quality and other cowy subjects. They spoke *langue d'oc*, the old language of the south-west, and I understood

they were debates about milk yield, meat quality and other cowy subjects. They spoke *langue d'oc*, the old language of the south-west, and I understood

they were debates about milk yield, meat quality and other cowy subjects. They spoke *langue d'oc*, the old language of the south-west, and I understood

they were debates about milk yield, meat quality and other cowy subjects. They spoke *langue d'oc*, the old language of the south-west, and I understood

they were debates about milk yield, meat quality and other cowy subjects. They spoke *langue d'oc*, the old language of the south-west, and I understood

they were debates about milk yield, meat quality and other cowy subjects. They spoke *langue d'oc*, the old language of the south-west, and I understood

they were debates about milk yield, meat quality and other cowy subjects. They spoke *langue d'oc*, the old language of the south-west, and I understood

they were debates about milk yield, meat quality and other cowy subjects. They spoke *langue d'oc*, the old language of the south-west, and I understood

they were debates about milk yield, meat quality and other cowy subjects. They spoke *langue d'oc*, the old language of the south-west, and I understood

they were debates about milk yield, meat quality and other cowy subjects. They spoke *langue d'oc*, the old language of the south-west, and I understood

they were debates about milk yield, meat quality and other cowy subjects. They spoke *langue d'oc*, the old language of the south-west, and I understood

they were debates about milk yield, meat quality and other cowy subjects. They spoke *langue d'oc*, the old language of the south-west, and I understood

they were debates about milk yield, meat quality and other cowy subjects. They spoke *langue d'oc*, the old language of the south-west, and I understood

they were debates about milk yield, meat quality and other cowy subjects. They spoke *langue d'oc*, the old language of the south-west, and I understood

they were debates about milk yield, meat quality and other cowy subjects. They spoke *langue d'oc*, the old language of the south-west, and I understood

they were debates about milk yield, meat quality and other cowy subjects. They spoke *langue d'oc*, the old language of the south-west, and I understood

they were debates about milk yield, meat quality and other cowy subjects. They spoke *langue d'oc*, the old language of the south-west, and I understood

they were debates about milk yield, meat quality and other cowy subjects. They spoke *langue d'oc*, the old language of the south-west, and I understood

they were debates about milk yield, meat quality and other cowy subjects. They spoke *langue d'oc*, the old language of the south-west, and I understood

they were debates about milk yield, meat quality and other cowy subjects. They spoke *langue d'oc*, the old language of the south-west, and I understood

they were debates about milk yield, meat quality and other cowy subjects. They spoke *langue d'oc*, the old language of the south-west, and I understood

they were debates about milk yield, meat quality and other cowy subjects. They spoke *langue d'oc*, the old language of the south-west, and I understood

they were debates about milk yield, meat quality and other cowy subjects. They spoke *langue d'oc*, the old language of the south-west, and I understood

they were debates about milk yield, meat quality and other cowy subjects. They spoke *langue d'oc*, the old language of the south-west, and I understood

they were debates about milk yield, meat quality and other cowy subjects. They spoke *langue d'oc*, the old language of the south-west, and I understood

they were debates about milk yield, meat quality and other cowy subjects. They spoke *langue d'oc*, the old language of the south-west, and I understood

they were debates about milk yield, meat quality and other cowy subjects. They spoke *langue d'oc*, the old language of the south-west, and I understood

they were debates about milk yield, meat quality and other cowy subjects. They spoke *langue d'oc*, the old language of the south-west, and I understood

they were debates about milk yield, meat quality and other cowy subjects. They spoke *langue d'oc*, the old language of the south-west, and I understood

they were debates about milk yield, meat quality and other cowy subjects. They spoke *langue d'oc*, the old language of the south-west, and I understood

they were debates about milk yield, meat quality and other cowy subjects. They spoke *langue d'oc*, the old language of the south-west, and I understood

they were debates about milk yield, meat quality and other cowy subjects. They spoke *langue d'oc*, the old language of the south-west, and I understood

they were debates about milk yield, meat quality and other cowy subjects. They spoke *langue d'oc*, the old language of the south-west, and I understood

they were debates about milk yield, meat quality and other cowy subjects. They spoke *langue d'oc*, the old language of the south-west, and I understood

they were debates about milk yield, meat quality and other cowy subjects. They spoke *langue d'oc*, the old language of the south-west, and I understood

they were debates about milk yield, meat quality and other cowy subjects. They spoke *langue d'oc*, the old language of the south-west, and I understood

they were debates about milk yield, meat quality and other cowy subjects. They spoke *langue d'oc*, the old language of the south-west, and I understood

they were debates about milk yield, meat quality and other cowy subjects. They spoke *langue d'oc*, the old language of the south-west, and I understood

they were debates about milk yield, meat quality and other cowy subjects. They spoke *langue d'oc*, the old language of the south-west, and I understood

they were debates about milk yield, meat quality and other cowy subjects. They spoke *langue d'oc*, the old language of the south-west, and I understood

they were debates about milk yield, meat quality and other cowy subjects. They spoke *langue d'oc*, the old language of the south-west, and I understood

they were debates about milk yield, meat quality and other cowy subjects. They spoke *langue d'oc*, the old language of the south-west, and I understood

they were debates about milk yield, meat quality and other cowy subjects. They spoke *langue d'oc*, the old language of the south-west, and I understood

they were debates about milk yield, meat quality and other cowy subjects. They spoke *langue d'oc*, the old language of the south-west, and I understood

they were debates about milk yield, meat quality and other cowy subjects. They spoke *langue d'oc*, the old language of the south-west, and I understood

they were debates about milk yield, meat quality and other cowy subjects. They spoke *langue d'oc*, the old language of the south-west, and I understood

they were debates about milk yield, meat quality and other cowy subjects. They spoke *langue d'oc*, the old language of the south-west, and I understood

they were debates about milk yield, meat quality and other cowy subjects. They spoke *langue d'oc*, the old language of the south-west, and I understood

they were debates about milk yield, meat quality and other cowy subjects. They spoke *langue d'oc*, the old language of the south-west, and I understood

they were debates about milk yield, meat quality and other cowy subjects. They spoke *langue d'oc*, the old language of the south-west, and I understood

they were debates about milk yield, meat quality and other cowy subjects. They spoke *langue d'oc*, the old language of the south-west, and I understood

they were debates about milk yield, meat quality and other cowy subjects. They spoke *langue d'oc*, the old language of the south-west, and I understood

they were debates about milk yield, meat quality and other cowy subjects. They spoke *langue d'oc*, the old language of the south-west, and I understood

they were debates about milk yield, meat quality and other cowy subjects. They spoke *langue d'oc*, the old language of the south-west, and I understood

they were debates about milk yield, meat quality and other cowy subjects. They spoke *langue d'oc*, the old language of the south-west, and I understood

they were debates about milk yield, meat quality and other cowy subjects. They spoke *langue d'oc*, the old language of the south-west, and I understood

they were debates about milk yield, meat quality and other cowy subjects. They spoke *langue d'oc*, the old language of the south-west, and I understood

they were debates about milk yield, meat quality and other cowy subjects. They spoke *langue d'oc*, the old language of the south-west, and I understood



## INTERNATIONAL ARTS GUIDE

**What's on in the principal cities****AMSTERDAM****CONCERTS**

- Het Concertgebouw Tel: (020) 671 5345
  - Academy of St. Martin in the Fields: with violinist Iona Brown plays Haydn, Britten, Mozart and Stravinsky; 8.15pm; Mar 24
  - Netherlands Chamber Orchestra: Philippe Entremont plays Lutoslawski, Stravinsky and Tchaikovsky; 8.15pm; Mar 25, 26
  - Shostakovich Trio: plays Beethoven, Shumann and Smetana; 8.15pm; Mar 20, 22
  - Het Muziektheater Tel: (020) 551 8922
    - Schoenberg Trilogy: a new production of "Die Gluckliche Hand", "Von Heute auf Morgen" and "Erwartung" and the first time that these three one act operas are playing in one performance. With David Wilson Johnson, Isolde Eichberg and conductor Winfried Maczewski; 8pm; Mar 19, 22, 25, 28

**GALLERIES**

- Amsterdam Historische Tel: (020) 632 1822
  - Hunger, Winter and Liberation in Amsterdam: exhibition that marks the changes in Amsterdam during the last months of the second world war and the liberation; to Sep 3
- Jewish Historical Tel: (020) 626 9945
  - Taking a Stand: exhibition shows the work of two artists, Ralph Prins and Felix Nussbaum to commemorate the 50th anniversary of the liberation. Nussbaum was killed in Auschwitz and Prins was one of the survivors of the Theresienstadt camp; to May 7

- Eijksmuseum Tel: (020) 673 21 21
  - UKIYO-E: the finest Japanese prints; to May 28
- Stedelijk Tel: (020) 5732 911
  - Alfa Romeo: The Essence of Beauty: exhibition marking the development and design of Alfa Romeo from the early part of this century to the most recent models; to Apr 2

- Couplet IV: exhibition that brings together works by modern artists including Jackson Pollock and Robert Ryman; to Mar 26
- Tropenmuseum Tel: (020) 568 6200
  - Nomads in Central Asia: more than 1,000 objects on loan from the Russian Ethnographic Museum in St Petersburg. Exhibits range from a traditional herdsman's tent to embroidered clothing; to Jul 20

**THEATRE**

- Museumplein Tel: (020) 420 0200
  - Salimbano: performed by the Canadian troupe Cirque du Soleil with acrobats, jugglers, pop music and computers; 8.15pm; to Mar 19 (Not Mon)

**BALTIMORE****CONCERTS**

- Symphony Hall Tel: (410) 783 8000
  - Baltimore Symphony Orchestra: with cellist Mihaly Virzilay and violinist Dmitry Sitkovetsky. Maximiano Valdes conducts Strauss and Brahms; 8.15pm; Mar 18

- Theatre Stage Tel: (410) 685 3200
  - Happy End: book and lyrics by Bertolt Brecht, music by Kurt Weill. Irene Lewis directs this adaptation by Michael Feingold set in 1920s Chicago; 7.30pm; to Mar 26

**BARCELONA****CONCERTS**

- Palau de la Música Catalana Tel: (93) 268 10 00
  - Wagner Concert: Silvio Varviso conducts the Symphony Orchestra and Chorus of the Gran Teatre del Liceu with soprano Waltraud Meier to play operatic pieces by Wagner; 8pm; Mar 19 (5pm), 20

**GALLERIES**

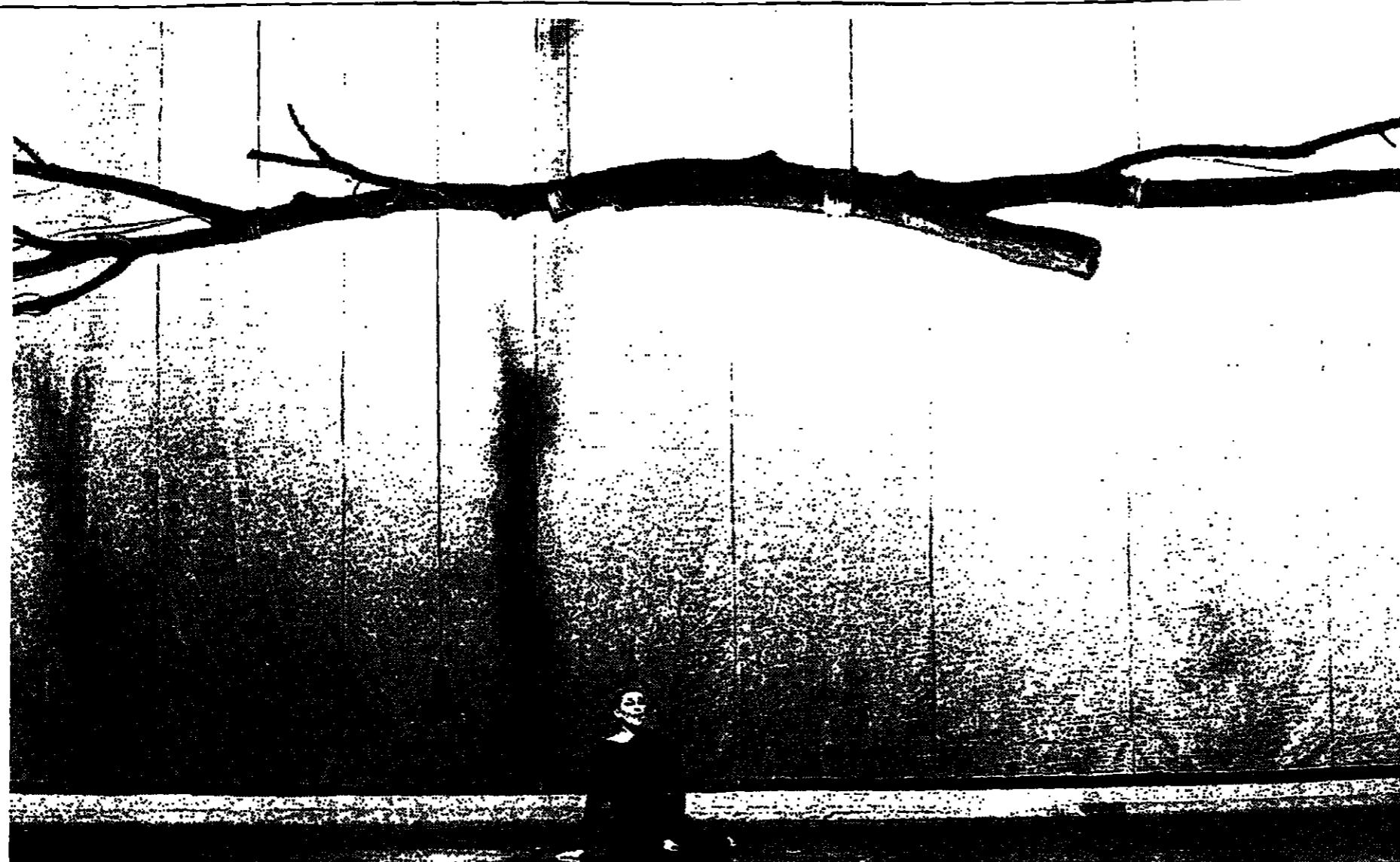
- Fundació Joan Miró Tel: (93) 329 19 08
  - Julian Schnabel: works by the American artist including 30 large formal paintings and four monumental sculptures displayed outside the building; to May 14

**BERLIN****GALLERIES**

- Altes Museum Tel: (030) 203 55 00
  - Munch and Germany: exhibition of early works by Norwegian artist Edvard Munch and German artists influenced by him; to Apr 23
- Deutsches Historisches Tel: (030) 215 020
  - Art from the GDR 1949-1990: exhibition that looks at politically commissioned art in the old German Democratic Republic; to Apr 19
  - Pictures and References to German History: exhibition with more than 2,000 paintings, coins, materials and other artifacts that document the history of Germany; to Dec 1 (Not Sun)
- Kunstgewerbemuseum
  - Contrasts in 20th Century German Design; to Dec 1
  - Neue Nationalgalerie Tel: (030) 262 2553
    - George Grosz, Berlin-New York: exhibition of the German Dadaist who emigrated to the US; to Apr 17

**OPERA/BALLET**

- Deutsche Oper Tel: (030) 343 8401
  - Der Fliegende Holländer: by Wagner. Conducted by Heinrich Hollreiser, production by Gustav Rudolf Sellner; 7.30pm; Apr 2
- Lucia di Lammermoor: by Donizetti. Conducted by Marcello Viotti and produced by Filippo Samperi



Schoenberg Trilogy: a new production of three one-act operas by the Nederlandse Opera at Het Muziektheater in Amsterdam

7.30pm; Mar 22, 25, 29 (8pm)

- Martha oder Der Markt zu Richmond: by Friedrich von Flotow. Premiere conducted by Sebastian Lang-Lessing. Produced by Winfried Baumfeind; 7pm; Mar 24, 30

- Ring um den Ring: by Wagner. Ballet based on "The Ring Cycle"; choreographed by Maurice Bejart; 7pm; Mar 18, 21

- The Girl of the Golden West: by Puccini. A new production conducted by Paolo Olmi and produced by Frank Corsaro. Soloists include Galina Kalinnina and George Fortune; 7pm; Mar 19, 23, 26, 31

- Staatsoper Unter den Linden Tel: (030) 200 4762
  - Der Rosenkavalier: by Strauss. Nicolas Briggere directs this new production. The sets are designed by Raimund Bauer and Donald Runicles conducts; 6.30pm; Mar 26 (6pm); 29, 4pm

- Theater des Westens Tel: (030) 3190 3193
  - Street Scene: by Kurt Weill. In English with soloists Janice Falvy and Dean Anthony. Conducted by James Holme; 7.30pm; to Apr 2

**OPERA/BALLET**

- Oper der Stadt Tel: (221) 221 2319
  - La Damnation de Faust: by Berlioz. New co-production with the Royal Opera House London. Conducted by James Conlon and produced by Harry Jameson; 7.30pm; to Apr 5

**BOLOGNA****OPERA/BALLET**

- Teatro Comunale Tel: (051) 529999
  - Carmen: by Bizet. A new production directed by Fredrico Tizzoli and conducted by Garcia Navarro. Soloists include Elena Zaremba as Carmen and Maria Bayo as Micaela; 8.30pm; Mar 18

- Il Turco in Italia: by Rossini. A new production directed by Evelino Pidò; 8.30pm; Apr 5 (4pm), 7 (4pm)

**BONN****GALLERIES**

- Kunsthalle Düsseldorf Tel: (0211) 892460
  - Surrealism in Spain: 200 paintings, sculptures, drawings and photomontages by the likes of Dalí, Miró and Picasso. The exhibition looks at the roles played by regions of Spain in the development of the Surrealist movement and includes many works that were concealed during the Spanish Civil War; to Apr 17

**DUSSELDORF****GALLERIES**

- Rheinisches Landesmuseum Tel: (0210) 7917 236
  - Russian Museum of St Petersburg: third in the Great Collections series. The museum in St Petersburg houses 500,000 works from which 500 have been selected to represent 500 years of Russian art and culture; from Apr 7 to Aug 13 (Not Mon)

- Under the Volcano Antique Masterpieces second in the "Great Collections Series", this exhibition represents a modern "excavation" from among the 200,000 works of the Museo Archeologico Nazionale di Napoli; to Jun 5 (Not Mon)

**ESSEN****GALLERIES**

- Folkwang Essen Tel: (0201) 88414
  - Michael Burges - Malerei; to Mar 26

**FRANKFURT****CONCERTS**

- Alte Oper Tel: (069) 1340 400
  - Borodin Quartet: plays Borodin, Stravinsky and Beethoven; 8pm; Mar 30

- Chamber Orchestra of Europe: with pianist Gerhard Oppitz. Ivan Fischer conducts Stravinsky and Beethoven; 8pm; Mar 21

- Flamenco: Amparo de Triana with her group; 8pm; Mar 18

- Frankfurt Opera House and Museum Orchestra: Jia Li conducts Hindemith and Beethoven; 8pm; Mar 19 (11pm), 20

- Kirov Orchestra St. Petersburg: Valery Gergiev conducts Stravinsky and Tchaikovsky; 8pm; Mar 30

- South Western Radio Orchestra: with mezzo-soprano Veselina Kasarova and tenor Zoran Todorovski. Peter Falk conducts a variety of operatic pieces; 8pm; Mar 28

- Young Peoples German Philharmonic: with violinist Christian Tetzlaff. Andreas Dells conducts Penderecki, Berg and Bruckner; 8pm; Mar 19

- Vienna Symphony Orchestra: with pianist Rudolf Buchbinder; 8pm; Mar 26

**BRUSSELS****OPERA/BALLET**

- Le Munt/La Monnaie Tel: (02) 218 22 11
  - Wozzeck: by Berg. Conducted by Lothar Zagrosek, produced by Hans Neugebauer; 8pm; Mar 19 (3pm), 22, 24, 26 (3pm), 29, 31; Apr 2

**CHICAGO****GALLERIES**

- Chicago Art Institute Tel: (708) 89 9900
  - Gustave Caillebotte: exhibition with 117 works by the "Urban Impressionist" recently seen at the Grand Palais, Paris; to May 28

**COLOGNE****CONCERTS**

- Kölner Philharmonie Tel: (0221) 280
  - Cologne Music Extra: mezzo soprano Cecilia Bartoli with pianist Olaf Dressler plays Mozart, Beethoven, Brahms and Wieniawski; 8pm; Mar 22

- Cologne Radio Symphony Orchestra: Ivan Fischer conducts Mendelssohn and Strauss; 8.15pm; Mar 31

- Gürzenich Choir: and the Cologne Philharmonic with violinist Torsten Jancke and pianist Olaf Dressler plays Mozart, Beethoven, Brahms and Wieniawski; 8pm; Mar 25

- Radio Philharmonie Hannover: with violinist Shlomo Mintz, Yoel Levi conducts Barber, Dvorak and Prokofiev; 8pm; Mar 25

- Radio Symphony Orchestra

- Arte Gianni Tel: (069) 97 58 37 88
  - Le Corbusier: famous for his architecture, Le Corbusier also produced oil paintings, watercolours, drawings and graphics. This is an exhibition of 40 such works created between 1928 and 1964; to Mar 31
- Icons: the Mavromichalis donation; to May 7
- Swiss Romande Posters: 8.15pm; to Mar 26
- Centre d'Art Contemporain Tel: (41) 328 18 42
  - Tony Oursler: installation by the

- White Gold in Siberia: exhibition of ancient art in Hämnen

- Victoria and Albert Tel: (0171) 938 8500
  - Warworks: women, photography and the art of war. A perspective of war through the eyes of international women artists; to Mar 19

**OPERA/BALLET****English National Opera Tel:**

- (0171) 622 8300
  - Don Giovanni: a new production of Mozart's opera. In house debuts for director Guy Joosten and conductor Markus Steinz; 7pm; Mar 23, 25, 29, 31; Apr 5

- Madama Butterfly: Puccini's opera, originally directed by Graham Vick; 7.30pm; Mar 18, 22, 24, 26, 30; Apr 4, 6

- Royal Opera House Tel: (0171) 304 4000
  - Giselle: music by Adolphe Adam. A Royal Ballet production choreographed by Marius Petipa after Jean Coralli and Jules Perrot and produced by Peter Wright; 7.30pm; Mar 21, 25 (7pm)

- Salome: by Strauss. A new production directed by Luc Bondy and conducted by Christoph von Dohnányi; 8pm; Mar 18, 29, 31; Apr 7

- Siegfried: by Wagner. A new production directed by Richard Jones and conducted by Bernard Haitink; 5.30pm; Mar 27; Apr 1 (4pm), 4

- Swan Lake: by Tchaikovsky. Choreographed by Marius Petipa and Lev Ivanov, production by Anthony Dowell; 7.30pm; Mar 22, 23

**THEATRE****Aldwych Tel: (0171) 836 6404**

- Indian Ink: by Tom Stoppard. With Felicity Kendal, Margaret Tyzack and Art Malik; (Not Sun)

**Apollo Shaftesbury Tel: (0171) 494 5070**

- In Praise of Love: by Terence Rattigan. Directed by Richard Olivier. With Peter Bowles and Lisa Harrow; 8pm; (Not Sun)

**Criterion Tel: (0171) 838 4488**

- My Night with Reg: by Kevin Elyot, directed by Roger Michell. A meeting of old college friends; 8pm

**Gielgud Tel: (0171) 494 5065**

- Design for Living: by Noel Coward and directed by Sean Mathias; 8pm; (Not Sun)

**Greenwich Tel: (0181) 858 7756**

- The Duchess of Malfi: by John Webster, directed by Phillip Franks. With Juliet Stevenson and Simon Russell Beale; 7.45pm; (Not Sun)

**Haymarket Tel: (0171) 830 8800**

- Arcadia: by Tom Stoppard, directed by Trevor Nunn. Switching between present and past, two historians investigate Lord Byron; 7.30pm; (Not Sun)

**Lyric Shaftesbury Tel: (0171) 494 5045**

## What's on in the principal cities (continued)

### MARTIGNY

#### GALLERIES

La Foundation Pierre Gianadda Tel: (026) 22 39 78  
Egon Schiele: exhibition of works by the Austrian Expressionist painter; to May 14

### MUNICH

#### GALLERIES

Bayerische Staatsgemäldesammlungen Tel: (089) 23 80 50  
• Hans Memling: Johannes and Veronika; to July 11  
• Henri de Toulouse-Lautrec: posters; to April 30

Bayerisches Tel: 089 211 24 216  
The Golden Knight: an example of medieval goldsmith's work from Paris; to April 20

■ Haus der Kunst  
Deutsche Romantic: previously on show in London, this exhibition examines the work of early German Romantic painters and their cultural and political impact on successive generations of German artists; to May 1

Villa Stuck Tel: (089) 45 55 51 0  
African Seating: exhibition of traditional African arts, mostly from the early part of this century, that concentrates on seating, from simple everyday designs to ornate wooden thrones; to April 23

#### OPERA/BALLET

Bayerische Staatsoper Tel: (089) 22 13 16  
• A Cinderella Story: music by Prokofiev; A Hamburg Ballet production choreographed by John Neumeier; 7.30pm; Mar 25, 26 (1.30pm)

• Ballet by John Neumeier: a number of ballet pieces choreographed by Neumeier to the music of, among others, Dvorák, Ravel and Mahler; 8pm; Mar 27

• Don Giovanni: by Mozart, in Italian. A new production by Nicholas Hytner with conductor Hans Drewarz; 7pm; Mar 18

• Il Trovatore: by Verdi. Conducted by Miguel Gómez Martínez, produced by Luca Ronconi. In Italian; 7pm; Mar 19; Apr 1

• Swan Lake: music by Tchaikovsky. A new production choreographed by Ray Barra/Marius Petipa/Lew Ivanov. André Preller conducts; 7.30pm; Mar 22, 23, 30

• The Nutcracker: music by Tchaikovsky. Choreographed by John Neumeier and conducted by André Preller; 7.30pm; Mar 28

### MÜNSTER

#### GALLERIES

Westfälisches Landesmuseum für Kunst und Kulturgeschichte Tel: (0251) 590701

Robert Mangold: exhibition of the American Minimalist's work; to April 2

### NEW YORK

#### CONCERTS

Alice Tully Hall Tel: (212) 875 5050

• Manuel Barrueco: guitarist plays Bach, Granados, Corea, Takemitsu and Albeniz; 8pm; Mar 25

• Stuttgart Chamber Orchestra: Diamond, Shostakovich/Bashai and Glass; 2pm; Mar 19

■ Avery Fisher Tel: (212) 875 5030

• New York Philharmonic: with soprano Gillian Webster. Sir Colin Davis conducts Mozart and Mahler; 8pm; Mar 18, 21 (7.30pm)

• New York Philharmonic: Sir Colin Davis conducts an All Beethoven programme; 8pm; Mar 23, 24, 25

• New York Philharmonic: with soprano Sylvia McNair, baritone Hakan Hagegard and the Westminster Symphonic Choir. Kurt Masur

conducts an evening of choral music by Brahms; 8pm; Mar 29, 30, 31; Apr 1

■ Carnegie Hall Tel: (212) 247 7800

• Andrea Schiff: pianist plays Bartók, Bach and Beethoven; 8pm; Mar 24

• Cincinnati Symphony Orchestra: with soloists Kata and Mariella Labéque, Jesús López-Cobos

conducts Wagner and Bruckner; 8pm; Mar 20

• Kirin Te Kanawa: and pianist James Levine perform their only New York recital of the season; 8pm; Mar 19

• Orchestra of St. Luke's: with soloist Alicia de Larrocha. André Previn conducts Mozart and Haydn; 8pm; Mar 25

#### GALLERIES

Guggenheim Tel: (212) 423 3652  
• Félix González-Torres: a comprehensive survey of the contemporary artist's multi-media art form; to May 10

• Ross Bleckner: mid-career retrospective of the American artist consisting of approximately 75 paintings and works on paper; to May 14

■ Guggenheim Soho Tel: (212) 423 3652

Antoni Tapies: 55 of the leading Spanish artist's most important works dating from 1946 to 1991; to April 23

■ Metropolitan

The Klengle of New Britain: Photographs by Phillip Dark reveals the art, performance and daily life of the Klengle people from the North West coast of New Britain, east of New Guinea; to July 28

■ Museum of Modern Art Tel: (212) 708 9480

Kandinsky: Compositions: exhibition featuring approximately forty works including seven of the surviving 'Composition' paintings; to April 25

## INTERNATIONAL ARTS GUIDE



Henri Matisse's Nu-Pour Roseau at the Galerie Schmitt in Paris

#### OPERA/BALLET

■ Metropolitan Tel: (212) 362 6000  
• Idomeneo: by Mozart. Produced by Jean Pierre Ponnelle, conducted by James Levine; 8pm; Mar 18, 25

• La Bohème: by Puccini. Produced by Franco Zeffirelli, conducted by John Flora; 8pm; Mar 18 (1.30pm)

• La Traviata: by Verdi. Produced by Franco Zeffirelli, conducted by John Flora; 8pm; Mar 20, 24, 30

• Pelléas et Mélisande: by Debussy. A new production by Jonathan Miller. Conducted by James Levine; 8pm; Mar 23, 27; Apr 1, 4

• The Ghosts of Versailles: by Corgiello. Produced by Colin Graham, conducted by James Levine; 8pm; Apr 3, 7

• Tosca: by Puccini; 8pm; Mar 22, 25; Apr 1 (1.30pm)

■ New York City Opera Tel: (212) 307 4100

• Carmen: by Bizet. Conducted by Semyon Vekhtshein/Joseph Colaneri and produced by Jonathan Eaton; 8pm; Mar 24, 29

• Harvey Milk: music by Stewart Wallace, libretto by Michael Korie. A new production conducted by Christopher Keene and produced by Christopher Alden. A story about gay activism, dirty politics, murder and riots; 8pm; Apr 4

• La Ronde: by Puccini. Conducted by Guido Almone-Marsan, produced by Lotfi Mansouri; 8pm; Mar 19 (1.30pm); 23

• La Traviata: by Verdi. A new production conducted by Yves Abel and directed by Renata Scotti. Soloists include Janice Hall/Oksana Kravylska and Stephen Mark Brown/Richard Drews; 8pm; Mar 25, 28; Apr 1 (1.30pm), 6

• Madame Butterfly: by Puccini. Conducted by Guido Almone-Marsan and produced by Frank Corsaro; 8pm; Mar 18, 25 (1.30pm), 31

• The Marriage of Figaro: by Mozart. Conducted by Scott Bergeson and produced by John Copley. Soloists include Wendy Nielsen and Kathryn Germoner; 8pm; Mar 18 (1.30pm), 22

• The Merry Widow: music by Lehár. English book adaptation by Robert Johnson. Conducted by Eric Stern; 8pm; Mar 26 (1.30pm); Apr 1, 2 (1.30pm), 22

■ National Theatre Tel: (212) 247 4100  
• Kiss of the Spiderwoman: based on the Manuel Puig novel. Directed by Harold Prince with Vanessa Williams playing the title role; 8pm; (Not Mon)

■ Circle in the Square Tel: (212) 239 6200

Uncle Vanya: by Chekhov. Cast includes Tom Courtenay, Amanda Donohoe and James Fox; 8pm

■ Gershwin Theatre Tel: (212) 307 4100

Show Boat: by Harol Prince, choreographed by Susan Stroman. Cast includes John McMartin, Elaine Stritch, Rebecca Luker and Mark Jacoby; 8pm; (Not Mon)

■ Joseph Papp Public Theatre Tel: (212) 598 7150

The Merchant of Venice by Shakespeare. Directed by Barry Edelstein, and with Ron Leibman playing Shylock; 8pm; (Not Mon)

■ Minskoff Theatre Tel: (212) 307 4007

Sunset Boulevard: directed by Billy Wilder, music by Andrew Lloyd Webber. Finally arrived in New York with Glenn Close playing Norma

Desmond; 8pm; (Not Mon)

■ Mitzi E Newhouse Tel: (212) 239 6200

Hippodrome: by Tom Stoppard. New York premiere of the play about the head of a UK government espionage agency. Directed by Jack O'Brien, and starring Stockard Channing; 8pm; (Not Mon)

■ Music Box Tel: (212) 239 6200

Blood Brothers: by Willy Russell, directed by Bill Kenwright and Bob Tomson; 8pm; (Not Mon)

■ New York State Theater Tel: (212) 870 5570

Slave Thinking About the Long Standing Problems of Virtue and Happiness: Tony Kushner's latest work directed by Lisa Peterson; 8pm; (Not Mon)

■ Promenade Theatre Tel: (212) 239 6200

Three Tall Women: Edward Albee's Pulitzer Prize winning drama about a 92-year-old widow contemplating her life. Sun. 3pm, otherwise; 8pm; (Not Mon)

■ Shubert Theatre Tel: (212) 239 6200

Crazy for You: by Ken Ludwig, directed by Mike Ockrent. Tony award winning musical based on Gershwin's Girl Crazy; 8pm; (Not Mon)

■ Union Square Tel: (212) 307 4100

Vita and Virginia: by Eileen Atkins. The relationship between Virginia Woolf, (played by Atkins) and Vita West (played by Vanessa Redgrave). Zoo Caldwell directs; 8pm; (Not Mon)

■ Variety Arts Tel: (212) 239 6200

Death Defying Acts: three one act plays by Woody Allen, David Mamet and Elaine May. Directed by Michael Blakemore and with Linda Lavin, Debra Monk and Paul Guiffoyle; 8pm; (Not Mon)

■ Union Square Tel: (212) 307 4100

Vita and Virginia: by Eileen Atkins.

The relationship between Virginia

Woolf, (played by Atkins) and Vita

West (played by Vanessa Redgrave). Zoo Caldwell directs; 8pm; (Not Mon)

■ Variety Arts Tel: (212) 239 6200

Death Defying Acts: three one act

plays by Woody Allen, David Mamet

and Elaine May. Directed by Michael

Blakemore and with Linda Lavin,

Debra Monk and Paul Guiffoyle; 8pm;

(Not Mon)

■ Union Square Tel: (212) 307 4100

Vita and Virginia: by Eileen Atkins.

The relationship between Virginia

Woolf, (played by Atkins) and Vita

West (played by Vanessa Redgrave). Zoo Caldwell directs; 8pm; (Not Mon)

■ Union Square Tel: (212) 307 4100

Vita and Virginia: by Eileen Atkins.

The relationship between Virginia

Woolf, (played by Atkins) and Vita

West (played by Vanessa Redgrave). Zoo Caldwell directs; 8pm; (Not Mon)

■ Union Square Tel: (212) 307 4100

Vita and Virginia: by Eileen Atkins.

The relationship between Virginia

Woolf, (played by Atkins) and Vita

West (played by Vanessa Redgrave). Zoo Caldwell directs; 8pm; (Not Mon)

■ Union Square Tel: (212) 307 4100

Vita and Virginia: by Eileen Atkins.

The relationship between Virginia

Woolf, (played by Atkins) and Vita

West (played by Vanessa Redgrave). Zoo Caldwell directs; 8pm; (Not Mon)

■ Union Square Tel: (212) 307 4100

Vita and Virginia: by Eileen Atkins.

The relationship between Virginia

Woolf, (played by Atkins) and Vita

West (played by Vanessa Redgrave). Zoo Caldwell directs; 8pm; (Not Mon)

■ Union Square Tel: (212) 307 4100

Vita and Virginia: by Eileen Atkins.

The relationship between Virginia

Woolf, (played by Atkins) and Vita

West (played by Vanessa Redgrave). Zoo Caldwell directs; 8pm; (Not Mon)

■ Union Square Tel: (212) 307 4100

Vita and Virginia: by Eileen Atkins.

The relationship between Virginia

Peter Aspden

## When the whizz-kids stop pumping

A computer game and a cappuccino is no way to prepare for a day on the trading room floor

**W**e are, if the prophets and pundits are to be believed, now living in a post-physical world. The human body, inspiration for some of the greatest works of art of all time, has been ruthlessly deconstructed by scientists seeking to isolate its constituent parts; at the same time, the world outside becomes ever more virtual. The very fabric of our customs and language betrays our impatience with the limitations of physicality; this is the age of surgery-by-video, divorce-by-fax and sex in the head. We surf in the mysterious twilight zone between my keyboard and your screen, and it is

not at all like listening to the Beach Boys.

Nowhere is the crisis of the corporate more keenly perceived than in that temple of human vanity, the gymnasium.

Now, there are times in history when the body politic is in the mood for pumping iron, and its citizens respond in kind. Much of the 1980s was spent in this muscular mood: Sylvester Stallone and Arnold Schwarzenegger became the decade's unlikeliest of cultural icons, the latter after he famously compared lifting weights with achieving sexual climax.

Well, we thought, there must be something in this pumping busi-

ness; off we trotted, to be con-

faced by a phalanx of fitness machinery the very names of which made one feel like invading the Bay of Pigs. There was "Power-thrust", "Shouldercruncher", "Abdo-steel", "Pecto-pound". Huge men lumbered in T-shirts which looked like they had recently been ripped apart by a rampaging bicep.

Changing rooms were filled with the sickly perfumes of deep heat ointments and after-shaves with names like "Karate Killer". Countries were invaded, a lot of money was made.

These days, it is all very different. At my gym in the City of London, the gentle, holistic climate of

the 1990s is perfectly reflected in a re-invented language.

What used to be called body-building has become "body reform"; muscular development drills have turned into "shaping and toning" exercises; trainers who ranted and punished have been replaced by "consultants" who coax and encourage; that heady, aggressive whiff of pumping has given way to the hazy, aromatherapeutic bouquet of chilling out.

In fact, the "free weights" part of the gymnasium takes only a small proportion of its space; instead a whole range of computer screens with simulated races and

courses dominates the proceedings. You can go for a gentle cycle ride up a couple of rolling hills; you can climb 574 flights of stairs; you can run along the river, watching the virtual helicopters overhead; you can run on the spot for 45 minutes counting off the calories you burn.

If one were a social anthropologist, one would want to study the effects of these cultural changes in the City gymnasium on its members, many of whom are the young dealers and traders who command such high salaries for their financial acumen, and who have a strong say in how the economy is run.

In the days when they pumped

and preened, one knew at least that they would be out there within an hour or two, hyped up, ready to do battle, generally getting stuck in on behalf of their clients - and, it was supposed, the United Kingdom plc.

But these new, less aggressive times - Schwarzenegger lapsed into self-parody, Stallone collecting paintings for goodness sake - make it more difficult to draw such simple conclusions.

Today's City whizz-kid has an easy time of it; a couple of turns on a mildly-demanding computer game, and it is time for a quiet post-work-out cappuccino in the corner of the room, perhaps even a

quick read of the latest Tom Peters book on how to re-invent yourself. Is this the right preparation for a busy day on the trading room floor?

No, this post-physical world is having a highly disorienting effect on the de-regulated world economy. I have some good news, however. I saw a huge crate being unloaded outside the gym last week, being handled with care and primed for action. I took a peek inside and saw a machine labelled "Thermo-Nuclear Cyber-Meltdown Catastrophe". Apparently it does wonders for your aerobic capacity, and it could be just the tonic we are looking for.

reduce natural phenomena into their elementary component parts, we find some that cannot be understood that way. He gives two examples: Bell's theorem which shows that twin particles behave as if they are still connected even when separated by millions of miles, and entropy, the natural tendency towards disorder, as when gases mingle rather than remaining apart. Even if we know the "how" of creation, Sir John believes we will never understand the "why" without God.

The book he is currently working on will focus closely on the meaning of creation. "Meaning is something beyond science."

This brings us back to the environment because some of the meaning of life, in his view, has to do with man's duty to care for his surroundings. Sir John uses the analogy of people put in charge of a garden: stewards.

The earth is like a garden: a place for relaxation and recreation, where living things can flourish. It is also a place of beauty and diversity, to be cared for and passed on to future generations. Man is free to treat the garden as he wishes: damage it, or improve it through his creative skills. (Sir John is not among those who advocate the "back to nature" approach because it ignores man's creativity).

Of course, the creative urge is proving rather destructive at the moment. Apart from being unwise, this is immoral because the garden is God's work; it is immoral even if you don't believe in God because it is selfish: you are ignoring your responsibility to keep the garden fit for other creatures to live in and to hand on to future generations.

By now it is late afternoon. The rain has stopped but dark clouds still race by. We move to the drawing room where Lady Houghton serves tea and fruit cake beside the stove. It is rather a relief to find such cosiness after the great cosmic sweep of our discussion. Sir John obviously enjoys it too. He gets out the photo album and we drift into early evening over pictures of the cottage and the countryside.



Enjoying the natural surroundings: Sir John Houghton near his home in Aberdovey, mid-Wales

Ashley Ashwood

meet - some might say, clash. We discuss them over coffee. What does science tell us of the gravity of the threat to the environment? Are governments capable of doing anything about it? Does man have a moral responsibility for the damage he is causing to his surroundings?

On the first of these, Sir John is clear. Great strides in computer modelling now enable meteorologists to track climate change very closely. Since the onset of the industrial

revolution, the refinement of science, there is still uncertainty about where the climate is actually heading, especially the local and regional detail of how the climate may change. "The atmosphere is a partially chaotic system which is only predictable to a degree. At a local level in these latitudes you can predict the weather a week ahead, a maximum two. With global warming, you are trying to forecast how average weather conditions may change over many decades because of a change in the atmosphere's properties."

But the storms we've been having - are they not a sign of climate disturbance? "Not necessarily. We don't know whether it's more stormy than 10 years ago."

Hence the reason why so little has been done. "People haven't seen global warming yet. It's all in the future. We can't expect them to take drastic action in the face of these uncertainties. It's not that they don't care. They just can't be bothered." But this means that politicians do not act either because they are not convinced that there is any political capital to be made out of the environment. Industrialists, who fear climate change because it could mean more regulation and taxation to combat pollution, merely urge delay until the picture becomes clearer.

But Sir John does not think that uncertainty is an excuse for failure to do anything at all because we already know enough to take precautionary action. Many of the things people could do - like insulating their homes or driving cleaner cars - would be good for the environment whatever happens to the climate. And there is great scope for industry to exploit environmental concerns, for example by developing

energy efficient technologies, control devices and improved modes of transport. What is lacking, Sir John believes, is leadership. Governments should take on more of what he calls "the high grade moral and spiritual challenges": the environment, population growth, resource use and the poverty divide - because of their profound implications.

Recalling his report on transport, with its dire warning about the dangers of unbridled traffic, I asked Sir John whether all these utterances about environmental threats made him a doomsayer.

"I'm not a doomster. I'm an optimist by nature. I sometimes wonder whether I should be shouting louder. But it is best to tackle things you can do something about."

Sir John's optimism is based partly in a scientist's belief in the power of discovery and invention, partly in his faith.

"The capacity of science and technology to solve some of the problems we face is very large, for example, in developing environmentally friendly forms of energy. Given the challenge, solutions can generally be found." But this should not lull us into thinking that there is a "technical fix".

Sir John's faith gives him optimism because, as he puts it, God is "part of the story" and will provide the nudge that will make people take action (although that nudge may take the form of more nasty shocks).

I asked Sir John whether the discoveries made by science ever caused him to doubt his faith.

The quest for scientific knowledge is no bar to belief in a divine being, he replies. As he sees it, rolling forward the frontiers of discovery does not crowd out God, it merely uncovers more of his work. He is continuously struck, for example, by how well fitted out the earth is for human life forms. It is almost as if the universe was created with human beings in mind. The

conditions we have here could not have occurred without the billions of years the universe has existed to make all the necessary elements, and the billions of light years that it spans. "We need all the universe to be here."

True, the further science advances, the more scientists will learn about the "how" of creation. But even in science, no matter how much we try to

As They Say in Europe / James Morgan

## Britain and its US 'friend'

**T**he other day I had to talk to a class of Dutch business students on "Britain's role in the European Union". I asked them if they thought Britain played a constructive and positive role in the EU. Only one hand was raised half-heartedly, accompanied by murmurs to the effect that each country had to defend its own interests.

The view of Britain as something less than helpful in promoting the founding fathers' vision of an ever-closer union is widely shared, but without great animosity.

Indeed, other governments have co-operated in securing British opt-outs, special regimes and the odd concession. When China threatened to allow the Hong Kong dispute with London to spill over into trade matters, a quiet warning from Brussels put an end to that.

Similarly, the French are permitted to subsidise worthless enterprises in defiance of economic logic, the Spaniards to receive funds to fritter away as they like, while Greece and Italy can quietly turn a blind eye to corrupt practices that enrich their citizens at the

expense of the rest of us.

There is much genial back-scratching at the heart of the union that reminds one of what the French used to call the Republic of Pals. Thus everyone rallied around Spanish fishermen this week when Canada tried to stop them sweeping up the North Atlantic's fish stocks.

Live and let live is the prevalent attitude of those in charge. The peoples of the union accept each other as they are and take a tolerant attitude of national idiosyncrasies.

On Friday a certain Gerry Adams was received at the White House. This Northern Irish politician has spent the week fund raising in the US. His party, Sinn Féin, is the only organisation in the British Isles which is able to cross the Atlantic and raise money from local supporters who encourage the belief that Northern Ireland smoulders with resentment against the British yoke as its voteless citizens struggle to free themselves from a brutal colonial master.

Support for a violent minority is not surprising in a nation where a love of guns and a dull-witted fanaticism appear

to be essential qualifications for public office.

Sinn Féin is the party of a minority of a minority in the North and 3 per cent of the voters in the Irish Republic. It has more supporters in New York than in the Republic. Yet there are no voices raised against its aims in the US. The

**The English fail to recognise that a large number of Americans do not give a fig for their interests**

concept of a "United Ireland" is regarded as self-evidently desirable.

The English fail to recognise that a large number of Americans dislike them and do not give a fig for their interests. They have not even noticed that if some Hollywood production contains male characters who speak standard

received English he will be a fool, a liar or a sadist.

One cannot imagine Gerry Adams being feted in Paris or Berlin. There would be no question of inviting him to parties at the Elysée. One day, perhaps, as Lord Adams of Shankill, but not now.

The newspaper of western Europe report the Northern Ireland story in such a manner as to ensure that their readers have seen it as a complex, stirring affair.

The question of Roman Catholic emancipation has naturally played a role but there has been no attempt to portray the behaviour of the British government as anything worse than muddled or ineffective. British rule in the province is not believed to be an oppressive force. The views of the unionists get a fair hearing. The cause of a united Ireland is not regarded as sacred or, for that matter, very interesting.

The British, however, consistently believe that somehow the US is a friend in a way that, say, Germany or France can never be. Yet these two countries would not celebrate the enemies of Britain, partly because such people have no support among their elector-

ates, partly because that is not the right way to behave towards a partner.

US foreign policy initiatives are usually based on spur-of-the-moment decisions divorced from any real consideration of the interests of those who are affected. France recognises this and has a rational relationship with the US. It is aware that national interests diverge substantially and that Washington's actions are not always in French interests.

This week, by a curious coincidence, the man who showed Gerry Adams what could be achieved by the gun and socialism, Fidel Castro, has been an honoured guest in Paris. President Mitterrand has called the US embargo against Cuba "stupid". It is inconceivable that any British government could make such gestures.

Britain has never acted deliberately against the interests of the US in this century. One wonders why, when Washington will ignore Britain's interests for most trivial reasons, or for no reason at all.

■ James Morgan is economics correspondent of the BBC World Service.



THE  
LONDON  
GOLF CLUB

Set in the beautiful Kent countryside, the club boasts two 18 hole courses - the Heritage Course which was personally designed by Jack Nicklaus and the Golden Bear and designed by Ron Kirby. Both courses are suitable for all skill levels, providing five sets of tees per hole and lakes coming into play on several holes. The greens have been built to the highest USGA specifications ensuring firm, well drained surfaces. The courses have been designed to take advantage of the natural contours and beauty of the Kent countryside.

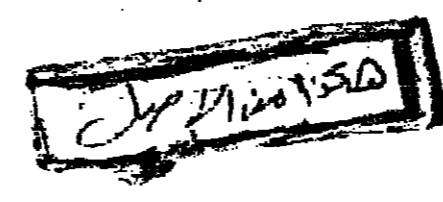
The clubhouse offers a range of international cuisine with a Teppanyaki bar for oriental tastes, a pro shop, spike bar and spa baths with sauna.

The London Golf Club Membership opportunities have been carefully structured to meet the needs of individual, corporate and family members.

For further membership details please fill out the application form.

MEMBERSHIP ENQUIRY FORM

NAME _____	
ADDRESS _____	
TELEPHONE NO. _____	
POSTAL CODE. _____	
PLEASE INDICATE THE APPROPRIATE MEMBERSHIP TYPE: (INDIVIDUAL / FAMILY / CORPORATE / SOCIAL)	
SEND TO: THE MEMBERSHIP OFFICE, THE LONDON GOLF CLUB, SMITH ASH MANOR ESTATE, ASHL	
NEAR BRANES HATCH, KENT TN15 7EN. Tel: 0174 854466 Fax: 0174 854796	



### **FT MANAGED FUNDS SERVICE**

• FT Cityline Unit Trust Prices are available over the telephone. Call the FT Cityline Help Desk on (+44 171) 873 4378 for more details.

## **OFFSHORE AND OVERSEAS**

**BERMUDA (SIB RECOGNISED)**

**GUERNSEY** (SIB RECOGNISE)

Stainless	51,244	1,329	5,812	1,258	Versatilist, Dynamics, A-	+1.02%
Carbide European Ltd.	50,983	1,303	5,787	1,237	Versatilist, Dura-Cutter	+0.94%
For East	50,983	1,303	5,787	1,237	Versatilist, Dura-Cutter Fd	+0.94%
GEM	50,416	1,456	5,683	7.1	Versatilist Japan, Custom Fd	+0.71%
	50,416	2,853	5,683	4.6		-0.01%

### **IRELAND (REVIEW)**

**ISLE OF MAN**

	ISLE OF MAN (SIS RECOGNISED)	ISLE OF MAN	ISLE OF MAN	ISLE OF MAN	ISLE OF MAN
	Int. Rate	Selling Price	Buying Price	Selling Price	Buying Price
<b>AXA Equity &amp; Law Indl Fund Mngrs</b>					
Victory Inv. Prospects Hld. Douglas held				01/02/94	
Total Income Fund	61	94.225	95.24	1-1.00	
<b>Axa Indl. Diversifd Indl Fund Mngrs (1000MF)</b>					
Lst Strtves, Douglas, Isle				01/02/94	
AXI Managed	\$2.7221	2.7054	2.7404	1.0000	
AXI Mid-Capacity	\$1.8221	1.8054	1.8204	1.0000	
AXI Mid-Size Fund	\$1.8221	1.8054	1.8204	1.0000	
AXI Far East	\$1.5041	1.4854	1.5104	1.0000	
AXI Govt & Income Fund	\$1.2424	1.2254	1.2504	1.0000	
AXI Emerging Fds	\$0.8731	8.35	1.4204	1.0000	
For Information Prices of Shares Please 01/02/94 00000000					
<b>For Asset Global Fund Ltd (ex Ashford Global Funds Ltd)</b>					
<b>Ashford Global Funds Ltd (1200MF)</b>					
Victory Inv. Prospects Hld. Douglas, Isle	01/02/94				
The Fund Income Fund 41	21.1601	21.1448	21.1448	1.0000	
The Real Estate Investment Fund 41	15.0002	15.2118	15.2118	1.0000	
The International Equity Fund 41	21.3671	21.3561	21.3561	1.0000	
<b>Bank of Ireland</b>					
c/o 157 Managers (AIM) Ltd				01/02/94	
4 Criterion Road, Douglas, Isle				01/02/94	
St. Georges Court, Isle ...	1	21.0050	1.0151		
<b>Bank of Ireland (AIM) Ltd</b>					
Bank of Ireland (AIM) Ltd				01/02/94	
157 Managers (AIM) Ltd				01/02/94	
4 Criterion Road, Douglas, Isle				01/02/94	
St. Georges Court, Isle ...	1	21.0050	1.0151		
<b>Bank of Ireland (AIM) Ltd</b>					
Bank of Ireland (AIM) Ltd				01/02/94	
157 Managers (AIM) Ltd				01/02/94	
4 Criterion Road, Douglas, Isle				01/02/94	
St. Georges Court, Isle ...	1	21.0050	1.0151		
<b>Bank of Ireland (AIM) Ltd</b>					
Bank of Ireland (AIM) Ltd				01/02/94	
157 Managers (AIM) Ltd				01/02/94	
4 Criterion Road, Douglas, Isle				01/02/94	
St. Georges Court, Isle ...	1	21.0050	1.0151		
<b>Carrick Fund Managers (AIM)</b>					
Carrick Money Inv. Hld. Douglas held				01/02/94	
High Income Fund	21.0050	25.712	24.54	1.0000	
Global Fund Up	21.0050	25.712	24.54	1.0000	
Global Com Pacific Fund	21.0050	25.712	24.54	1.0000	
UK	21.0050	1.0151		1.0000	
USA	21.0050	1.0151		1.0000	
Japan	21.0050	1.0151		1.0000	
Other	21.0050	1.0151		1.0000	
For Information Prices of Shares Please 01/02/94 00000000					
<b>Mercury Fund Managers Ltd (AIM)</b>					
12-13 Hill Street, Douglas held				01/02/94	
Merc Inv. Portfolios	51	116.7	122.0	1.0000	
Merc Inv. Best	51	116.7	121.5	1.0000	
<b>Mercury Fund Managers (AIM) Ltd</b>					
PO Box 22, Castletown, Isle				01/02/94	
Scarcce High Income	61	11.0748	11.1478	1.0000	
<b>Monkland Financial Fund Ltd</b>					
18-21, Chester Rd, Douglas, Isle				01/02/94	
Schawforth Rd	51	18.68	20.03	1.0000	
<b>ISLE OF MAN (REGULATED)</b>					
<b>ATC Fund Management Ltd</b>					
ATC International Fund				01/02/94	
ATC Fund - Dividend Fund				01/02/94	
Strenght Money Market				01/02/94	
UK Managed Commodity				01/02/94	
UK Managed Commodity				01/02/94	
International Bond				01/02/94	
Sterling Bond				01/02/94	
Global Equity				01/02/94	
Global Equity				01/02/94	
Global Bond				01/02/94	
USS Managed				01/02/94	
Sterling Managed				01/02/94	
South Africa				01/02/94	
<b>AXA Equity &amp; Law Indl Fund Mngrs</b>					
European Equity	20.6247	21.752	21.752	1.0000	
Far Eastern Equity	20.6247	21.752	21.752	1.0000	
UK Equity	20.6247	21.752	21.752	1.0000	
Global Equity	19.7740	20.862	20.862	1.0000	
UK Gvt & Pfd Inv.	15.1919	16.54	16.54	1.0000	
Dollar Depositor	19.6247	20.752	20.752	1.0000	
Dividend Fund	19.6247	20.752	20.752	1.0000	
Managed Currency	112.54	114.44	114.44	1.0000	
<b>City Financial Advisors (AIM) Ltd</b>					
London Assets & Income Fund	51	0.107	0.10	1.0000	
London Reserve Assets	5	0.107	0.10	1.0000	
London Reserve Assets	5	102.34	102.34	1.0000	
<b>Dimension London Inv. Inv.</b>					
St. George's Inv.				01/02/94	
St. International	51	1.20	1.27	1.0000	
<b>John Cottrell Management (AIM) Ltd</b>					
Parragon Plus Red Mer 1	1	127.55	128.55	1.0000	
<b>JKM Managers (AIM) Ltd</b>					
JKM Global Funds				01/02/94	
JKM SIS Fund				01/02/94	
High Income Fund				01/02/94	
International Equity				01/02/94	
Managed Currency				01/02/94	
Sterling Currency				01/02/94	
USS Currency				01/02/94	
High S. Currency				01/02/94	

**JERSEY REGULATED**

JERSEY (REGULATED)		Selling Price	Buying Price
Barclays Inv Funds Asia Selection Fund			
China	\$10,650	\$1,050	-0.22%
Hong Kong	\$10,650	\$1,050	-0.22%
Indonesia	\$10,485	\$1,025	-0.38%
Japan	\$10,550	\$1,075	-0.08%
Korea	\$10,715	\$1,115	-0.09%
Malaysia	\$10,487	\$1,025	-0.44%
Philippines	\$10,705	\$1,075	-0.30%
Singapore	\$10,115	\$10,075	-0.15%
Taiwan	\$10,471	\$1,075	-0.15%
Thailand	\$10,482	\$1,025	-0.61%
US East Asia	\$10,482	\$1,025	-0.61%
US Div & Liquidy	\$10,482	\$1,025	-0.61%
Carter Allens Investment Management (Cayman Islands)			
CA Equity Fund	\$4,924	\$1,17	
CA Equity Corp	\$4,924	\$1,17	
Caixa International Asset Mgmt Ltd			
International Bond Fund	\$1,045.00	\$1,045.00	
CDM Floating Bond	\$1,022.00	\$1,022.00	-0.08%
Chilean Fund (CI) Ltd "Chilefunds"			
Bond Fund	\$6,165	\$6,165	
Bond Fund Mar '10	\$6,165	\$6,165	
US Govt Bond Fund '20	\$11,476	\$11,476	-0.10%
US Govt Bond Fund '30	\$14,540	\$14,540	-1.11%
Options Fund '20	\$22,367	\$22,367	-0.15%
Bonds Fund			
US Govt Bond Fund '20	\$11,476	\$11,476	-0.10%
Special Issues (SI) Mar 1	\$50,042,374	\$50,042,374	-0.01%
ChinaBank I.A.			
Long 2000 Fund 1	\$139,395	\$139,395	-0.23%
Long 2000 Fund 7	\$120,358	\$120,358	-0.23%
Concourse Ltd			
JMV Mar 10	\$891.00	\$891.00	
Coutts & Co (Jersey) Fund Managers Ltd			
Corporate Income Portfolio Ltd			
5 Asset Mix	\$12,285	\$12,285	-0.08%
5 Asset Mix	\$12,285	\$12,285	-0.08%
2 Cash & Fix Inv Inf	\$12,285	\$12,285	-0.08%
2 Cash & Fix Inv Inf	\$12,285	\$12,285	-0.08%
EMG Fund Managers (Jersey) Ltd			
EMG Traded Currency Fund Ltd			
Indonesia	\$11,22	\$11,22	+0.01%
Capital	\$11,22	\$11,22	+0.01%
* Value price includes 3% profit charge			
International Income Fund*			
Sustained Long Term -10%	\$20,120	\$20,120	-0.05%
Sustained Long Term -20%	\$20,120	\$20,120	-0.05%
* Other Price includes 3.4% Initial Charge			
Planning Services			
Robert Fleming Management (Jersey) Ltd			
Cash & Stock Inv Mar 7	\$8,88	\$8,88	
Dividend Fund Mar 7	\$12,35	\$12,35	-0.23%
Income Fund Mar 15	\$12,35	\$12,35	-0.23%
Peregrine & Colchester Managed (Jersey) Ltd			
Alpha Forecast & Assisted Returns Fund Ltd			
US Small Corp Fund	\$11,045	\$11,045	-0.08%
US Large Corp Fund	\$11,045	\$11,045	-0.08%
US Bonds	\$11,727	\$11,727	-0.08%
North America Bonds	\$20,365	\$20,365	-0.08%
Global Bonds	\$11,727	\$11,727	-0.08%
All Bond Fund	\$11,727	\$11,727	-0.08%
Corporate Bonds	\$11,727	\$11,727	-0.08%
US Equities	\$11,235	\$11,235	-0.08%
US Equity Income	\$11,235	\$11,235	-0.08%
Cash & Equities Fund	\$11,235	\$11,235	-0.08%
US High Yield Corp Eqs	\$11,235	\$11,235	-0.08%
US Bond Fund	\$11,235	\$11,235	-0.08%
US Equity Income Fund	\$11,235	\$11,235	-0.08%
Cash Corp Fund	\$11,235	\$11,235	-0.08%
Gold	\$11,072	\$11,072	-0.08%
Protected Capital Plus A	\$11,405	\$11,405	-0.08%
Protected Capital Plus B	\$10,462	\$10,462	-0.08%
John Gutfreund Management Ltd			
US Small Corp Inv Mar 17	\$11,18	\$11,18	
US Global Balanced Fund	\$17,13	\$17,13	-1.34%
Emerging Markets Fund	\$17,13	\$17,13	-1.34%
Global Bond Fund Inv Mar 17	\$21,07	\$21,07	-0.08%
India Fund	\$10,51	\$10,500	-0.01%
Int'l Protected Inv Fund	\$10,428	\$10,428	-1.22%
Managed Futures Mar 3	\$10,428	\$10,428	-1.22%
Private Equity Fund Inv Mar 17	\$17,548	\$17,548	-0.08%
Sterling Denominated Hedge Fund	\$18,580	\$18,580	-0.44%
Sovereign Bond Fund	\$10,428	\$10,428	-1.22%
Takemoto Capital Nov 15	\$11,088	\$11,088	-12.76%
MWSSCO International Limited			
All Funds and only quoted when indicated			
Standard Internationalized Income Funds			
American Equity Inc. —	\$1,018.00	\$1,018.00	-0.01%
Japan Inv & Growth	\$1,018.00	\$1,018.00	-0.01%
Standard Internationalized Growth Funds			
Pioneer Mortg	\$4,425.00	\$4,725.00	-8.02%
V. Teng Mortg	\$1,018.00	\$1,018.00	-0.01%
MHM London Agents			
Apollo Pld Mar 15	\$19,770.00	\$19,770.00	-0.02%
* Weekly Review, Friday Day, Monthly			
Jupiter Typhoid (Jersey) Ltd			
Inv Fd	1114	1174	
Accm Shares	1917.0	1917.0	
Managed Currency Inv	129.0	129.0	
International	404.00	424.00	+0.05%
Lloyd's Private Banking (C) Ltd			
Maycourt World Inv Fd	\$12,541.3	\$12,541.3	+0.03%
* Daily Review, Monday to Thursday			

LUXEMBOURG ASIB RECOGNISE

Omnis Income Fund		Mitsubishi Japan Return Retiremen Fund	
BP 49-1, L-2024, Luxembourg	00 352 4044931	Total Alpha Investment Fund Management Co	00 352 4044931
OMS Income H	R014.1	15 St Royal, Luxembourg	1772 779
Dolphin Int'l Investments (ex) SICAV	01 504 27591	15 St Royal, Luxembourg	
6 Avenue du Tresor, L-2323 Luxembourg		15 St Royal, Luxembourg	
Cat Capital Partner	R015.2	Mitsubishi Japan Return Retiremen Fund	
Soc. Gérance & Investis-	R015.2	1 St Martin-le-Gitter, L-2449	0171 250 0011
ment International Bourse	55.2220	Ace Pacific Portfolio	5014 1-03
Diversified Asset Manager SA (ex)		107 Domed Royal, L-2449, Lux	00 352 4044931
SA route de Tressen, L-2323 Luxembourg	00 352 4044931	Exposure Growth	510.14
DLA Residential Fund	R016.15	People Growth Series	510.15
DLA Residential Fund	R017.27	5-C Cat Bond System	510.16
E.Y. Investment Management Ltd		15 Eiffel Bond System	510.17
13 Rue Gaston, BP 413, Luxembourg	00 352 4044931	Alley Series	510.17
Baudouinstraat 10 Etage	82.16	Regent Global Fund (ex) (2)	00 352 4044931
Eagle Star - Global Assets Fund (ex)		13 Rue Gaston, L-1057	00 352 4044931
8 Avenue Escale Finance, L-2420 Luxembourg		St. Growth Fund H	510.18
Barclays Côte d'Ivoire SICAV		UK Cat Fund H	510.19
Banque Postale SICAV		15 St Royal, Luxembourg	
Barclays Global Equity	R018.1	15 St Royal, Luxembourg	
Japanese Equity	51.765	15 St Royal, Luxembourg	
Pacific Stock Equity	50.755	15 St Royal, Luxembourg	
Swisscom Equity	52.140	15 St Royal, Luxembourg	
Swisscom Equity	51.755	15 St Royal, Luxembourg	
US Tech Fund	51.380	15 St Royal, Luxembourg	
Japanese Yen Bd	51.401	15 St Royal, Luxembourg	
Corporate Bonds	51.402	15 St Royal, Luxembourg	
Corporate Bonds	51.403	15 St Royal, Luxembourg	
Corporate Bonds	51.404	15 St Royal, Luxembourg	
All Bonds and Government in Ex. Prices quoted are Sterling Equi		15 St Royal, Luxembourg	
Eligible Global SICAV (ex)		S-E-Bank Luxembourg SA	10 Boulevard Royal, L-2449, Luxembourg
15 Rue Gaston, L-1057, Luxembourg	00 352 4044931	Shares	
Equity Fund	R019.0	Standard Equity Fund	
Equity Fund - Weighted Mktcap	R019.1	Equity Fund Acc	\$17.15
Accumulation Fund	R019.2	Equity Fund Reg	\$16.13
Accumulation Fund, H. Eqy.	R019.3	Equity Fund Res	\$16.13
Accumulation Fund, Mkt. Eqy.	R019.4	Equity Japan Acc	Y15.55
Accumulation Fund, P. Eqy.	R019.5	Equity UK	51.55
Accumulation Fund, S. Eqy.	R019.6	Equity North America	52.15
Accumulation Fund, S. Eqy.	R019.7	Equity Mediterranean	52.15
Accumulation Fund, S. Eqy.	R019.8	Equity Central Europe	52.15
Accumulation Fund, S. Eqy.	R019.9	Equity Asia Pacific	52.15
Accumulation Fund, S. Eqy.	R020.0	Equity Fund Per Capita	51.75
Accumulation Fund, S. Eqy.	R020.1	Equity Standard Bond Fund	51.75
Accumulation Fund, S. Eqy.	R020.2	Fund Share Class A	51.5
Accumulation Fund, S. Eqy.	R020.3	Fund Share Class H	51.54
Accumulation Fund, S. Eqy.	R020.4	Fund Share Class R	51.55
Accumulation Fund, S. Eqy.	R020.5	Fund Share Class S	51.56
Accumulation Fund, S. Eqy.	R020.6	Fund Share Class X	51.57
Accumulation Fund, S. Eqy.	R020.7	Equity Fund H	51.58
Accumulation Fund, S. Eqy.	R020.8	Equity Fund Res	51.58
Accumulation Fund, S. Eqy.	R020.9	Equity Fund Reg	51.58
Accumulation Fund, S. Eqy.	R021.0	Equity Fund X	51.58
Accumulation Fund, S. Eqy.	R021.1	Equity Fund Acc	51.59
Accumulation Fund, S. Eqy.	R021.2	Equity Fund Reg	51.59
Accumulation Fund, S. Eqy.	R021.3	Equity Fund Res	51.59
Accumulation Fund, S. Eqy.	R021.4	Equity Fund H	51.59
Accumulation Fund, S. Eqy.	R021.5	Equity Fund X	51.59
Accumulation Fund, S. Eqy.	R021.6	Equity Fund Acc	51.60
Accumulation Fund, S. Eqy.	R021.7	Equity Fund Reg	51.60
Accumulation Fund, S. Eqy.	R021.8	Equity Fund Res	51.60
Accumulation Fund, S. Eqy.	R021.9	Equity Fund H	51.60
Accumulation Fund, S. Eqy.	R022.0	Equity Fund X	51.60
Accumulation Fund, S. Eqy.	R022.1	Equity Fund Acc	51.61
Accumulation Fund, S. Eqy.	R022.2	Equity Fund Reg	51.61
Accumulation Fund, S. Eqy.	R022.3	Equity Fund Res	51.61
Accumulation Fund, S. Eqy.	R022.4	Equity Fund H	51.61
Accumulation Fund, S. Eqy.	R022.5	Equity Fund X	51.61
Accumulation Fund, S. Eqy.	R022.6	Equity Fund Acc	51.62
Accumulation Fund, S. Eqy.	R022.7	Equity Fund Reg	51.62
Accumulation Fund, S. Eqy.	R022.8	Equity Fund Res	51.62
Accumulation Fund, S. Eqy.	R022.9	Equity Fund H	51.62
Accumulation Fund, S. Eqy.	R023.0	Equity Fund X	51.62
Accumulation Fund, S. Eqy.	R023.1	Equity Fund Acc	51.63
Accumulation Fund, S. Eqy.	R023.2	Equity Fund Reg	51.63
Accumulation Fund, S. Eqy.	R023.3	Equity Fund Res	51.63
Accumulation Fund, S. Eqy.	R023.4	Equity Fund H	51.63
Accumulation Fund, S. Eqy.	R023.5	Equity Fund X	51.63
Accumulation Fund, S. Eqy.	R023.6	Equity Fund Acc	51.64
Accumulation Fund, S. Eqy.	R023.7	Equity Fund Reg	51.64
Accumulation Fund, S. Eqy.	R023.8	Equity Fund Res	51.64
Accumulation Fund, S. Eqy.	R023.9	Equity Fund H	51.64
Accumulation Fund, S. Eqy.	R024.0	Equity Fund X	51.64
Accumulation Fund, S. Eqy.	R024.1	Equity Fund Acc	51.65
Accumulation Fund, S. Eqy.	R024.2	Equity Fund Reg	51.65
Accumulation Fund, S. Eqy.	R024.3	Equity Fund Res	51.65
Accumulation Fund, S. Eqy.	R024.4	Equity Fund H	51.65
Accumulation Fund, S. Eqy.	R024.5	Equity Fund X	51.65
Accumulation Fund, S. Eqy.	R024.6	Equity Fund Acc	51.66
Accumulation Fund, S. Eqy.	R024.7	Equity Fund Reg	51.66
Accumulation Fund, S. Eqy.	R024.8	Equity Fund Res	51.66
Accumulation Fund, S. Eqy.	R024.9	Equity Fund H	51.66
Accumulation Fund, S. Eqy.	R025.0	Equity Fund X	51.66
Accumulation Fund, S. Eqy.	R025.1	Equity Fund Acc	51.67
Accumulation Fund, S. Eqy.	R025.2	Equity Fund Reg	51.67
Accumulation Fund, S. Eqy.	R025.3	Equity Fund Res	51.67
Accumulation Fund, S. Eqy.	R025.4	Equity Fund H	51.67
Accumulation Fund, S. Eqy.	R025.5	Equity Fund X	51.67
Accumulation Fund, S. Eqy.	R025.6	Equity Fund Acc	51.68
Accumulation Fund, S. Eqy.	R025.7	Equity Fund Reg	51.68
Accumulation Fund, S. Eqy.	R025.8	Equity Fund Res	51.68
Accumulation Fund, S. Eqy.	R025.9	Equity Fund H	51.68
Accumulation Fund, S. Eqy.	R026.0	Equity Fund X	51.68
Accumulation Fund, S. Eqy.	R026.1	Equity Fund Acc	51.69
Accumulation Fund, S. Eqy.	R026.2	Equity Fund Reg	51.69
Accumulation Fund, S. Eqy.	R026.3	Equity Fund Res	51.69
Accumulation Fund, S. Eqy.	R026.4	Equity Fund H	51.69
Accumulation Fund, S. Eqy.	R026.5	Equity Fund X	51.69
Accumulation Fund, S. Eqy.	R026.6	Equity Fund Acc	51.70
Accumulation Fund, S. Eqy.	R026.7	Equity Fund Reg	51.70
Accumulation Fund, S. Eqy.	R026.8	Equity Fund Res	51.70
Accumulation Fund, S. Eqy.	R026.9	Equity Fund H	51.70
Accumulation Fund, S. Eqy.	R027.0	Equity Fund X	51.70
Accumulation Fund, S. Eqy.	R027.1	Equity Fund Acc	51.71
Accumulation Fund, S. Eqy.	R027.2	Equity Fund Reg	51.71
Accumulation Fund, S. Eqy.	R027.3	Equity Fund Res	51.71
Accumulation Fund, S. Eqy.	R027.4	Equity Fund H	51.71
Accumulation Fund, S. Eqy.	R027.5	Equity Fund X	51.71
Accumulation Fund, S. Eqy.	R027.6	Equity Fund Acc	51.72
Accumulation Fund, S. Eqy.	R027.7	Equity Fund Reg	51.72
Accumulation Fund, S. Eqy.	R027.8	Equity Fund Res	51.72
Accumulation Fund, S. Eqy.	R027.9	Equity Fund H	51.72
Accumulation Fund, S. Eqy.	R028.0	Equity Fund X	51.72
Accumulation Fund, S. Eqy.	R028.1	Equity Fund Acc	51.73
Accumulation Fund, S. Eqy.	R028.2	Equity Fund Reg	51.73
Accumulation Fund, S. Eqy.	R028.3	Equity Fund Res	51.73
Accumulation Fund, S. Eqy.	R028.4	Equity Fund H	51.73
Accumulation Fund, S. Eqy.	R028.5	Equity Fund X	51.73
Accumulation Fund, S. Eqy.	R028.6	Equity Fund Acc	51.74
Accumulation Fund, S. Eqy.	R028.7	Equity Fund Reg	51.74
Accumulation Fund, S. Eqy.	R028.8	Equity Fund Res	51.74
Accumulation Fund, S. Eqy.	R028.9	Equity Fund H	51.74
Accumulation Fund, S. Eqy.	R029.0	Equity Fund X	51.74
Accumulation Fund, S. Eqy.	R029.1	Equity Fund Acc	51.75
Accumulation Fund, S. Eqy.	R029.2	Equity Fund Reg	51.75
Accumulation Fund, S. Eqy.	R029.3	Equity Fund Res	51.75
Accumulation Fund, S. Eqy.	R029.4	Equity Fund H	51.75
Accumulation Fund, S. Eqy.	R029.5	Equity Fund X	51.75
Accumulation Fund, S. Eqy.	R029.6	Equity Fund Acc	51.76
Accumulation Fund, S. Eqy.	R029.7	Equity Fund Reg	51.76
Accumulation Fund, S. Eqy.	R029.8	Equity Fund Res	51.76
Accumulation Fund, S. Eqy.	R029.9	Equity Fund H	51.76
Accumulation Fund, S. Eqy.	R030.0	Equity Fund X	51.76
Accumulation Fund, S. Eqy.	R030.1	Equity Fund Acc	51.77
Accumulation Fund, S. Eqy.	R030.2	Equity Fund Reg	51.77
Accumulation Fund, S. Eqy.	R030.3	Equity Fund Res	51.77
Accumulation Fund, S. Eqy.	R030.4	Equity Fund H	51.77
Accumulation Fund, S. Eqy.	R030.5	Equity Fund X	51.77
Accumulation Fund, S. Eqy.	R030.6	Equity Fund Acc	51.78
Accumulation Fund, S. Eqy.	R030.7	Equity Fund Reg	51.78
Accumulation Fund, S. Eqy.	R030.8	Equity Fund Res	51.78
Accumulation Fund, S. Eqy.	R030.9	Equity Fund H	51.78
Accumulation Fund, S. Eqy.	R031.0	Equity Fund X	51.78
Accumulation Fund, S. Eqy.	R031.1	Equity Fund Acc	51.79
Accumulation Fund, S. Eqy.	R031.2	Equity Fund Reg	51.79
Accumulation Fund, S. Eqy.	R031.3	Equity Fund Res	51.79
Accumulation Fund, S. Eqy.	R031.4	Equity Fund H	51.79
Accumulation Fund, S. Eqy.	R031.5	Equity Fund X	51.79
Accumulation Fund, S. Eqy.	R031.6	Equity Fund Acc	51.80
Accumulation Fund, S. Eqy.	R031.7	Equity Fund Reg	51.80
Accumulation Fund, S. Eqy.	R031.8	Equity Fund Res	51.80
Accumulation Fund, S. Eqy.	R031.9	Equity Fund H	51.80
Accumulation Fund, S. Eqy.	R032.0	Equity Fund X	51.80
Accumulation Fund, S. Eqy.	R032.1	Equity Fund Acc	51.81
Accumulation Fund, S. Eqy.	R032.2	Equity Fund Reg	51.81
Accumulation Fund, S. Eqy.	R032.3	Equity Fund Res	51.81
Accumulation Fund, S. Eqy.	R032.4	Equity Fund H	51.81
Accumulation Fund, S. Eqy.	R032.5	Equity Fund X	51.81
Accumulation Fund, S. Eqy.	R032.6	Equity Fund Acc	51.82
Accumulation Fund, S. Eqy.	R032.7	Equity Fund Reg	51.82
Accumulation Fund, S. Eqy.	R032.8	Equity Fund Res	51.82
Accumulation Fund, S. Eqy.	R032.9	Equity Fund H	51.82
Accumulation Fund, S. Eqy.	R033.0	Equity Fund X	51.82
Accumulation Fund, S. Eqy.	R033.1	Equity Fund Acc	51.83
Accumulation Fund, S. Eqy.	R033.2	Equity Fund Reg	51.83
Accumulation Fund, S. Eqy.	R033.3	Equity Fund Res	51.83
Accumulation Fund, S. Eqy.	R033.4	Equity Fund H	51.83
Accumulation Fund, S. Eqy.	R033.5	Equity Fund X	51.83
Accumulation Fund, S. Eqy.	R033.6	Equity Fund Acc	51.84
Accumulation Fund, S. Eqy.	R033.7	Equity Fund Reg	51.84
Accumulation Fund, S. Eqy.	R033.8	Equity Fund Res	51.84
Accumulation Fund, S. Eqy.	R033.9	Equity Fund H	51.84
Accumulation Fund, S. Eqy.	R034.0	Equity Fund X	51.84
Accumulation Fund, S. Eqy.	R034.1	Equity Fund Acc	51.85
Accumulation Fund, S. Eqy.	R034.2	Equity Fund Reg	51.85
Accumulation Fund, S. Eqy.	R034.3	Equity Fund Res	51.85
Accumulation Fund, S. Eqy.	R034.4	Equity Fund H	51.85
Accumulation Fund, S. Eqy.	R034.5	Equity Fund X	51.85
Accumulation Fund, S. Eqy.	R034.6	Equity Fund Acc	51.86
Accumulation Fund, S. Eqy.	R034.7	Equity Fund Reg	51.86
Accumulation Fund, S. Eqy.	R034.8	Equity Fund Res	51.86
Accumulation Fund, S. Eqy.	R034.9	Equity Fund H	51.86
Accumulation Fund, S. Eqy.	R035.0	Equity Fund X	51.86
Accumulation Fund, S. Eqy.	R035.1	Equity Fund Acc	51.87
Accumulation Fund, S. Eqy.	R035.2	Equity Fund Reg	51.87
Accumulation Fund, S. Eqy.	R035.3	Equity Fund Res	51.87
Accumulation Fund, S. Eqy.	R035.4	Equity Fund H	51.87
Accumulation Fund, S. Eqy.	R035.5	Equity Fund X	51.87
Accumulation Fund, S. Eqy.	R035.6	Equity Fund Acc	51.88
Accumulation Fund, S. Eqy.	R035.7	Equity Fund Reg	51.88
Accumulation Fund, S. Eqy.	R035.8	Equity Fund Res	51.88
Accumulation Fund, S. Eqy.	R035.9	Equity Fund H	51.88
Accumulation Fund, S. Eqy.	R036.0	Equity Fund X	51.88
Accumulation Fund, S. Eqy.	R036.1	Equity Fund Acc	51.89
Accumulation Fund, S. Eqy.	R036.2	Equity Fund Reg	51.89
Accumulation Fund, S. Eqy.	R036.3	Equity Fund Res	51.89
Accumulation Fund, S. Eqy.	R036.4	Equity Fund H	51.89
Accumulation Fund, S. Eqy.	R036.5	Equity Fund X	51.89
Accumulation Fund, S. Eqy.	R036.6	Equity Fund Acc	51.90
Accumulation Fund, S. Eqy.	R036.7	Equity Fund Reg	51.90
Accumulation Fund, S. Eqy.	R036.8	Equity Fund Res	51.90
Accumulation Fund, S. Eqy.	R036.9	Equity Fund H	51.90
Accumulation Fund, S. Eqy.	R037.0	Equity Fund X	51.90
Accumulation Fund, S. Eqy.	R037.1	Equity Fund Acc	51.91
Accumulation Fund, S. Eqy.	R037.2	Equity Fund Reg	51.91
Accumulation Fund, S. Eqy.	R037.3	Equity Fund Res	51.91
Accumulation Fund, S. Eqy.	R037.4	Equity Fund H	51.91
Accumulation Fund, S. Eqy.	R037.5	Equity Fund X	51.91
Accumulation Fund, S. Eqy.	R037.6	Equity Fund Acc	51.92
Accumulation Fund, S. Eqy.	R037.7	Equity Fund Reg	51.92
Accumulation Fund, S. Eqy.	R037.8	Equity Fund Res	51.92
Accumulation Fund, S. Eqy.	R037.9	Equity Fund H	51.92
Accumulation Fund, S. Eqy.	R038.0	Equity Fund X	51.92
Accumulation Fund, S. Eqy.	R038.1	Equity Fund Acc	51.93
Accumulation Fund, S. Eqy.	R038.2	Equity Fund Reg	51.93
Accumulation Fund, S. Eqy.	R038.3	Equity Fund Res	51.93
Accumulation Fund, S. Eqy.	R038.4	Equity Fund H	51.93
Accumulation Fund, S. Eqy.	R038.5	Equity Fund X	51.93
Accumulation Fund, S. Eqy.	R038.6	Equity Fund Acc	51.94
Accumulation Fund, S. Eqy.	R038.7	Equity Fund Reg	51.94
Accumulation Fund, S. Eqy.	R038.8	Equity Fund Res	51.94
Accumulation Fund, S. Eqy.	R038.9	Equity Fund H	51.94
Accumulation Fund, S. Eqy.	R039.0	Equity Fund X	51.94
Accumulation Fund, S. Eqy.	R039.1	Equity Fund Acc	51.95
Accumulation Fund, S. Eqy.	R039.2	Equity Fund Reg	51.95
Accumulation Fund, S. Eqy.	R039.3	Equity Fund Res	51.95
Accumulation Fund, S. Eqy.	R039.4	Equity Fund H	51.95
Accumulation Fund, S. Eqy.	R039.5	Equity Fund X	51.95
Accumulation Fund, S. Eqy.	R039.6	Equity Fund Acc	51.96
Accumulation Fund, S. Eqy.	R039.7	Equity Fund Reg	51.96
Accumulation Fund, S. Eqy.	R039.8	Equity Fund Res	51.96
Accumulation Fund, S. Eqy.	R039.9	Equity Fund H	51.96
Accumulation Fund, S. Eqy.	R040.0	Equity Fund X	51.96
Accumulation Fund, S. Eqy.	R040.1	Equity Fund Acc	51.97
Accumulation Fund, S. Eqy.	R040.2	Equity Fund Reg	51.97
Accumulation Fund, S. Eqy.	R040.3	Equity Fund Res	51.97
Accumulation Fund, S. Eqy.	R040.4	Equity Fund H	51.97
Accumulation Fund, S. Eqy.	R040.5	Equity Fund X	51.97
Accumulation Fund, S. Eqy.	R040.6	Equity Fund Acc	51.98
Accumulation Fund, S. Eqy.	R040.7	Equity Fund Reg	51.98
Accumulation Fund, S. Eqy.	R040.8	Equity Fund Res	51.98
Accumulation Fund, S. Eqy.	R040.9	Equity Fund H	51.98
Accumulation Fund, S. Eqy.	R041.0	Equity Fund X	51.98
Accumulation Fund, S. Eqy.	R041.1	Equity Fund Acc	51.99
Accumulation Fund, S. Eqy.	R041.2	Equity Fund Reg	51.99
Accumulation Fund, S. Eqy.	R041.3	Equity Fund Res	51.99
Accumulation Fund, S. Eqy.	R041.4	Equity Fund H	51.99
Accumulation Fund, S. Eqy.	R041.5	Equity Fund X	51.99
Accumulation Fund, S. Eqy.	R04		

LUXEMBOURG (REGULATED)<sup>14</sup>

#### **FT MANAGED FUNDS SERVICE**

- FT Cityline Unit Trust Prices are available over the telephone. Call the FT Cityline Help Desk on (+44 171) 873 4378 for more details.

## **OFFSHORE INSURANCES**

**Young Price**   **Young Price** -

## WEEKEND INVESTOR

## ■ Results due next week

Company Sector Announcement Dividend (p)<sup>a</sup>

Date Last year Interim Final This year Interim

APV Eng Thursday 2.0 2.4 1.0

Abbott Mead Vickers Med Wednesday 3.2 2.3 4.5

Alliance Tit Int'l Monday 14.5 32.5 15.0

American Trust Int'l Wednesday 2.8 2.9 2.9

Applied Distribution Grp Tran Tuesday 2.00 2.00 2.15

Aspen Communications P/P&amp;P Friday 2.00 2.00 2.05

Argos Regn Monday 2.25 5.65 2.05

Avonmore Foods Fd/Ma Tuesday 0.0155 0.02 0.0165

Avonside Group BAC Tuesday 1.9 2.2 2.10

BAC/BMs Monday - 3.75 -

BBB Resources Sp/Sps Wednesday 1.6 3.3 1.77

BCE International Engv Tuesday 0.7 2.5 0.7

Belford (Millring) Tsd Tuesday 3.55 3.55 3.55

Benson &amp; Hedges Eng Friday - -

Biotrace International Hiltl Thursday - -

Blaenau Industries P/P&amp;P Tuesday - -

Bletham Group Med Wednesday 4.4 4.65 3.50

Bowler P/P&amp;P Tuesday 7.25 8.20 7.25

British Assurance Eng Thursday 1.25 2.75 1.25

British Seafood Petroleum LIA Wednesday 3.85 8.75 4.25

Bruncliffe Aggregates OBE Thursday 2.65 4.433 2.657

Bush Left Wednesday - 0.5 0.4

Campbell &amp; Armstrong P/P&amp;P Tuesday 1.80 2.30 1.80

BASC Thursday - -

Cavendish Valley Hedges Eng Friday 2.94 4.35 2.94

Cedars Fund Managers Df/Ma Monday 5.00 18.00 8.00

Cedars Oil &amp; Gas OBE Monday - -

Censco Hatchet Diet Thursday 3.80 9.20 5.00

Cestex (EW) Diet Friday 2.71 2.88 1.84

Ciba-Geigy Regn Tuesday - -

CIE/Cale Growth Int'l Monday - -

Coker Engineering Eng Friday 1.125 3.375 1.25

Comet Refd Wednesday 3.70 4.40 3.70

Comet Holdings Sp/Sps Thursday 0.20 0.30 0.20

Compton Gartmert Text Tuesday 1.6 3.11 1.6

Cordis Petroluem OBE Tuesday 0.35 -

CSK Data &amp; Research EME Friday - -

Danish (S) Fd/Ma Tuesday 0.25 0.25 0.30

Davent Valley Hedges Prop Tuesday 3.05 6.05 1.58

Davent Fund Managers Df/Ma Monday 5.00 18.00 8.00

Dedicated Oil &amp; Gas OBE Monday - -

Densco Hatchet Diet Thursday 3.80 9.20 5.00

Diet Friday 2.71 2.88 1.84

Diet Regn Tuesday - -

Dietri/Cale Growth Int'l Monday - -

Dietri Engineering Eng Friday 1.125 3.375 1.25

Dietri/Hughes Refd Wednesday 3.70 4.40 3.70

Dietri Holdings Sp/Sps Thursday 0.20 0.30 0.20

Dietri/Hughes OBE Friday 1.25 1.40 1.45

Dietri/Hughes SWEC Thursday 3.82 9.18 3.80

Dietri/Hughes W/A Tuesday - -

Dietri/Hughes Regn Friday - -

Dietri/Hughes Fd/Ma Thursday 5.50 9.35 5.50

Dietri/Hughes Regn Friday - -

Dietri/Hughes Diet Friday 2.00 4.00 2.00

Dietri/Hughes Sp/Sps Friday - -

Dietri/Hughes Tuesday 2.5 7.5 1.75

Dietri/Hughes Regn Friday - -

Dietri/Hughes Fd/Ma Friday 2.00 2.00 2.00

Dietri/Hughes Regn Friday 1.3 1.9 1.3

Dietri/Hughes Diet Wednesday 3.5 4.75 3.5

Dietri/Hughes Regn Friday - -

Dietri/Hughes Fd/Ma Wednesday 3.5 4.75 3.5

Dietri/Hughes Regn Friday - -

Dietri/Hughes Fd/Ma Wednesday 3.5 4.75 3.5

Dietri/Hughes Regn Friday - -

Dietri/Hughes Fd/Ma Wednesday 3.5 4.75 3.5

Dietri/Hughes Regn Friday - -

Dietri/Hughes Fd/Ma Wednesday 3.5 4.75 3.5

Dietri/Hughes Regn Friday - -

Dietri/Hughes Fd/Ma Wednesday 3.5 4.75 3.5

Dietri/Hughes Regn Friday - -

Dietri/Hughes Fd/Ma Wednesday 3.5 4.75 3.5

Dietri/Hughes Regn Friday - -

Dietri/Hughes Fd/Ma Wednesday 3.5 4.75 3.5

Dietri/Hughes Regn Friday - -

Dietri/Hughes Fd/Ma Wednesday 3.5 4.75 3.5

Dietri/Hughes Regn Friday - -

Dietri/Hughes Fd/Ma Wednesday 3.5 4.75 3.5

Dietri/Hughes Regn Friday - -

Dietri/Hughes Fd/Ma Wednesday 3.5 4.75 3.5

Dietri/Hughes Regn Friday - -

Dietri/Hughes Fd/Ma Wednesday 3.5 4.75 3.5

Dietri/Hughes Regn Friday - -

Dietri/Hughes Fd/Ma Wednesday 3.5 4.75 3.5

Dietri/Hughes Regn Friday - -

Dietri/Hughes Fd/Ma Wednesday 3.5 4.75 3.5

Dietri/Hughes Regn Friday - -

Dietri/Hughes Fd/Ma Wednesday 3.5 4.75 3.5

Dietri/Hughes Regn Friday - -

Dietri/Hughes Fd/Ma Wednesday 3.5 4.75 3.5

Dietri/Hughes Regn Friday - -

Dietri/Hughes Fd/Ma Wednesday 3.5 4.75 3.5

Dietri/Hughes Regn Friday - -

Dietri/Hughes Fd/Ma Wednesday 3.5 4.75 3.5

Dietri/Hughes Regn Friday - -

Dietri/Hughes Fd/Ma Wednesday 3.5 4.75 3.5

Dietri/Hughes Regn Friday - -

Dietri/Hughes Fd/Ma Wednesday 3.5 4.75 3.5

Dietri/Hughes Regn Friday - -

Dietri/Hughes Fd/Ma Wednesday 3.5 4.75 3.5

Dietri/Hughes Regn Friday - -

Dietri/Hughes Fd/Ma Wednesday 3.5 4.75 3.5

Dietri/Hughes Regn Friday - -

Dietri/Hughes Fd/Ma Wednesday 3.5 4.75 3.5

Dietri/Hughes Regn Friday - -

Dietri/Hughes Fd/Ma Wednesday 3.5 4.75 3.5

Dietri/Hughes Regn Friday - -

Dietri/Hughes Fd/Ma Wednesday 3.5 4.75 3.5

Dietri/Hughes Regn Friday - -

Dietri/Hughes Fd/Ma Wednesday 3.5 4.75 3.5

Dietri/Hughes Regn Friday - -

Dietri/Hughes Fd/Ma Wednesday 3.5 4.75 3.5

Dietri/Hughes Regn Friday - -

Dietri/Hughes Fd/Ma Wednesday 3.5 4.75 3.5

Dietri/Hughes Regn Friday - -

Dietri/Hughes Fd/Ma Wednesday 3.5 4.75 3.5

Dietri/Hughes Regn Friday - -

Dietri/Hughes Fd/Ma Wednesday 3.5 4.75 3.5

Dietri/Hughes Regn Friday - -

Dietri/Hughes Fd/Ma Wednesday 3.5 4.75 3.5

Dietri/Hughes Regn Friday - -

Dietri/Hughes Fd/Ma Wednesday 3.5 4.75 3.5

Dietri/Hughes Regn Friday - -

Dietri/Hughes Fd/Ma Wednesday 3.5 4.75 3.5

Dietri/Hughes Regn Friday - -

Dietri/Hughes Fd/Ma Wednesday 3.5 4.75 3.5

Dietri/Hughes Regn Friday - -

Dietri/Hughes Fd/Ma Wednesday 3.5 4.75 3.5

Dietri/Hughes Regn Friday - -

Dietri/Hughes Fd/Ma Wednesday 3.5 4.75 3.5

Dietri/Hughes Regn Friday - -

Dietri/Hughes Fd/Ma Wednesday 3.5 4.75 3.5

Dietri/Hughes Regn Friday - -

Dietri/Hughes Fd/Ma Wednesday 3.5 4.75 3.5

Dietri/Hughes Regn Friday - -

Dietri/Hughes Fd/Ma Wednesday 3.5 4.75 3.5

Dietri/Hughes Regn Friday - -

Dietri/Hughes Fd/Ma Wednesday 3.5 4.75 3.5

Dietri/Hughes Regn Friday - -

Dietri/Hughes Fd/Ma Wednesday 3.5 4.75 3.5

Dietri/Hughes Regn Friday - -

Dietri/Hughes Fd/Ma Wednesday 3.5 4.75 3.5

Dietri/Hughes Regn Friday - -

Dietri/Hughes Fd/Ma Wednesday 3.5 4.75 3.5

Dietri/Hughes Regn Friday - -

Dietri/Hughes Fd/Ma Wednesday 3.5 4.75 3.5

Dietri/Hughes Regn Friday - -

Dietri/Hughes Fd/Ma Wednesday 3.5 4.75 3.5

Dietri/Hughes Regn Friday - -

Dietri/Hughes Fd/Ma Wednesday 3.5 4.75 3.5

Dietri/Hughes Regn Friday - -

Dietri/Hughes Fd/Ma Wednesday 3.5 4.75 3.5

Dietri/Hughes Regn Friday - -

Dietri/Hughes Fd/Ma Wednesday 3.5 4.75 3.5

Dietri/Hughes Regn Friday - -

Dietri/Hughes Fd/Ma Wednesday 3.5 4.75 3.5

Dietri/Hughes Regn Friday - -

Dietri/Hughes Fd/Ma

# Weekend Investor

Wall Street

## Motorway madness in a misty market

The latest data pushed stocks ahead, but the news was not all good, says Maggie Urry

**A**s the St Patrick's Day parade was feeling its way up a foggy Fifth Avenue in New York yesterday, the stock market was finding it equally hard to see its way through a mist of economic statistics. But like a motorist succumbing to motorway madness, the market proceeded to race ahead without any clear view of where it was going. Many fear there will be a horrible crash.

As the chart shows, the yield ratio between equities and bonds is still high, although there has been some reversal since last November's peak, suggesting stocks are still expensive compared with bonds. And given the fall in bond yields lately, many regard bonds as expensive, too. On Thursday, when the Dow Jones Industrial Average rose more than 30 points to yet another record, the long bond fell.

It is worth remembering that the ratio has not been at this level since it shot up in 1987, admittedly to a much higher 3.5 times or more, and then equally dramatically collapsed.

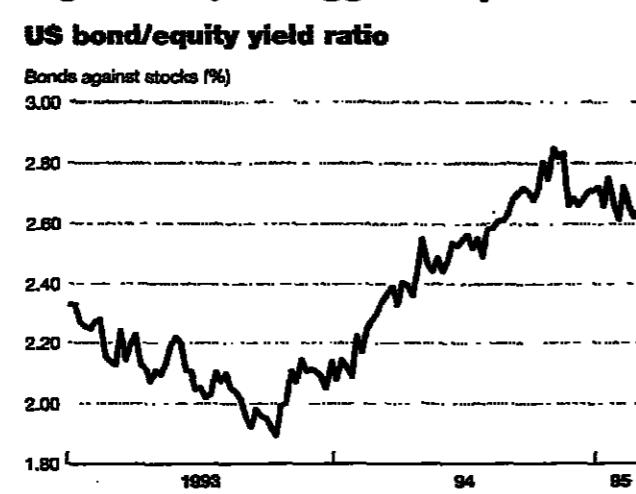
On balance, the week's economic news was taken well. The hoped-for gradual slowing of the economy appears to be taking place and inflation is still seen as being held in check. Confidence is high that the Federal Reserve's Open Market Committee will not raise interest rates at the meeting on March 28.

With another two months before the meeting after that, there is the hope that, by then, there will be sufficient further evidence that the soft landing is happening that interest rates may not have to rise again at all. That might give some rationale to the rise in the market over the week.

But that is a very optimistic view. Economists at S.G. Warburg, for instance, are sceptical. "The Federal Reserve has more tightening to do than the financial markets currently realise," they say.

The market has been turning a blind eye to anything untoward in the latest economic statistics, which mostly cover February. Last week the market ignored figures showing a drop in unemployment, but focused instead on the fact that hours worked had not increased. It took this to suggest that the economy was slowing.

Many of this week's statistics could have been taken



either way, but the market has consistently chosen the more bullish view. Retail sales figures, showing a fall of 0.5 per cent in February, which was much "better" than expected, were taken as good news, although a sharp upward revision of the January number, which shows how unreliable the provisional statistic can be, was ignored.

Industrial production for February showed a 0.5 per cent rise, which was faster than expected. But the market was prepared to take a rise in inventories as a sign that production will soon slow.

The market found the rise in producer prices, announced on Wednesday, harder to swallow. The PPI was up 0.3 per cent in February, a 3.8 per cent compounded annual rate, and worse, prices for intermediate goods rose 0.9 per cent in February and commodities were up 1.5 per cent. These suggest inflation is in the pipeline.

Meanwhile, Federal Reserve figures show that net purchases of foreign stocks by US investors totalled \$160bn between 1990 and the third quarter of 1994, the latest available statistics. The reverse figure, net purchases of US stocks by foreign investors, was only \$13.2bn.

If that tide is turning, as strategists at Goldman Sachs predict, the US market could see substantial waves of new money coming into shares. But it is a big if.

**Dow Jones Ind Average**

Monday	4,025.23	+10.38
Tuesday	4,048.75	+23.52
Wednesday	4,038.37	-10.38
Thursday	4,068.15	+30.78
Friday		

Nor did it take much notice

of the current account deficit for 1994, announced on Tuesday. The trade deficit, which almost managed to get back down to nil in 1991, has been increasing sharply again, and in 1994 it totalled nearly \$156bn from \$104bn in 1993.

This in part reflects the fact that the US economy is leading the world out of recession and, as a result, imports are being sucked in to an expanding economy while export growth is lagging as other countries are left behind. But it means the US must attract more foreign money to offset the deficit and with the dollar falling that harder to do.

The figures showed disturbingly that for the first time since records began, the US has a deficit on investment income. This shows the switch the US has undergone from creditor to debtor status as the country borrows more to pay the trade deficit.

The consumer price index on Thursday, showing a 0.3 per cent increase, was "somewhat disconcerting", as economists at Donaldson, Lufkin & Jenrette put it.

But that was more than countered by news the same day of a drop in housing starts and a report from the Philadelphia Federal Reserve suggesting manufacturing growth was slowing.

While the market continues to look on the bright side, it is also still ignoring the dollar.

After a stable start to the week, the currency again took a beating on Wednesday and early on Thursday - the day the Bundesbank did not raise German interest rates.

Many of this week's statistics could have been taken

against 2.5 per cent during the three previous parliaments.

The consumer is feeling the pinch. But don't be over-impressed by all those complaints from the retail industry. A rise of 2.5 per cent in retail sales volumes over the past year is not bad in the circumstances. But services industries such as retailing are going through the same kind of productivity revolution that hit manufacturing 15 years ago.

There is overcapacity, and the shops need lower rents at least as much as higher volume.

The focus is coming back on income distribution, which used to be a favourite area for political manipulation. Tory as well as Labour governments thought it necessary in the 1960s and 1970s for wage curbs to be balanced by dividend controls. In the present free-for-all, these political pressures are resurfacing, as in the threats over bosses' pay and electricity pay and

Electricity pay and

Electricity pay and

Electricity pay and

Electricity pay and

Electricity pay and

Electricity pay and

Electricity pay and

Electricity pay and

Electricity pay and

Electricity pay and

Electricity pay and

Electricity pay and

Electricity pay and

Electricity pay and

Electricity pay and

Electricity pay and

Electricity pay and

Electricity pay and

Electricity pay and

Electricity pay and

Electricity pay and

Electricity pay and

Electricity pay and

Electricity pay and

Electricity pay and

Electricity pay and

Electricity pay and

Electricity pay and

Electricity pay and

Electricity pay and

Electricity pay and

Electricity pay and

Electricity pay and

Electricity pay and

Electricity pay and

Electricity pay and

Electricity pay and

Electricity pay and

Electricity pay and

Electricity pay and

Electricity pay and

Electricity pay and

Electricity pay and

Electricity pay and

Electricity pay and

Electricity pay and

Electricity pay and

Electricity pay and

Electricity pay and

Electricity pay and

Electricity pay and

Electricity pay and

Electricity pay and

Electricity pay and

Electricity pay and

Electricity pay and

Electricity pay and

Electricity pay and

Electricity pay and

Electricity pay and

Electricity pay and

Electricity pay and

Electricity pay and

Electricity pay and

Electricity pay and

Electricity pay and

Electricity pay and

Electricity pay and

Electricity pay and

Electricity pay and

Electricity pay and

Electricity pay and

Electricity pay and

Electricity pay and

Electricity pay and

Electricity pay and

Electricity pay and

Electricity pay and

Electricity pay and

Electricity pay and

Electricity pay and

Electricity pay and

Electricity pay and

Electricity pay and

Electricity pay and

Electricity pay and

Electricity pay and

Electricity pay and

Electricity pay and

Electricity pay and

Electricity pay and

Electricity pay and

Electricity pay and

Electricity pay and

Electricity pay and

Electricity pay and

Electricity pay and

Electricity pay and

Electricity pay and

Electricity pay and

Electricity pay and

Electricity pay and

Electricity pay and

Electricity pay and

Electricity pay and

Electricity pay and

Electricity pay and

Electricity pay and

Electricity pay and

Electricity pay and

Electricity pay and

Electricity pay and

Electricity pay and

Electricity pay and

Electricity pay and

Electricity pay and

Electricity pay and

Electricity pay and

Electricity pay and

Electricity pay and

Electricity pay and

Electricity pay and

Electricity pay and

Electricity pay and

Electricity pay and

Electricity pay and

Electricity pay and

Electricity pay and

Electricity pay and